

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

**FORM 10-K**

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

For the Fiscal Year Ended  
November 30, 2000

Commission File Number  
2-85538-B

**CCA INDUSTRIES, INC.**

(Exact Name of Registrant as specified in Charter)

DELAWARE  
(State or other jurisdiction of  
incorporation or organization)

04-2795439  
(I.R.S. Employer  
Identification No.)

200 Murray Hill Parkway, East Rutherford, New Jersey 07073  
(Address of principal executive offices, including zip code)

(201) 330-1400  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: NONE

Securities registered pursuant to Section 12(g) of the Act:  
Common Stock, par value \$.01 per share  
(Title of Class)

Class A Common Stock, par value \$.01 per share  
(Title of Class)

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 requirement for the past 90 days. Yes X. No   .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K 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. [ X ].

The aggregate market value of the voting stock held by non-affiliates of the Registrant (i.e., by persons other than officers and directors of the Registrant), at the average sales price (\$.72), on February 22, 2001, was as follows:

Class of Voting Stock	Market Value
5,251,597 shares; Common Stock, \$.01 par value	\$3,781,150

On February 22, 2001 there were an aggregate of 6,894,157 shares of Common Stock and Class A Common Stock of the Registrant outstanding.

## CROSS REFERENCE SHEET

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1. Business	Business
2. Properties	Property
3. Legal Proceedings	Legal Proceedings
4. Submission of Matters to a Vote of Security Holders	Submission of Matters to a Vote of Security Holders
5. Market for Registrant's Common Equity and Related Stockholder Matters	Market for the Company's Common Stock and Related Shareholder Matters
6. Selected Financial Data	Selected Financial Data
7. Management's Discussion and Analysis of Financial Condition and Results of Operation	Management's Discussion and Analysis of Financial Condition and Results of Operations
7A. Quantitative and Qualitative Disclosures about Market Risk	Quantitative and Qualitative Disclosures about Market Risk
8. Financial Statements and Supplementary Data	Financial Statements and Supplementary Data
9. Changes In and Dis- agreements With Accountants On Accounting and Financial Disclosure	Changes In and Dis- agreements With Accountants On Accounting and Financial Disclosure
10. Directors and Executive Officers of the Registrant	Directors and Executive Officers

Form 10-K  
Item No.

Headings in this Form  
10-K for Year Ended  
November 30, 2000

11. Executive Compensation

Executive Compensation

12. Security Ownership  
of Certain Beneficial  
Owners and Management

Security Ownership  
of Certain Beneficial  
Owners and Management

13. Certain Relationships  
and Related Transactions

Certain Relationships  
and Related Transactions

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Exhibits, Financial  
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## PART I

### **Item 1. BUSINESS**

#### (a) General

CCA INDUSTRIES, INC. (hereinafter, “CCA” or the “Company”) was incorporated in Delaware in 1983.

The Company operates in one industry segment, in what may be generally described as the health-and-beauty aids business, selling numerous products, in several health-and-beauty aids categories. All Company products are manufactured by contract manufacturers, pursuant to the Company's specifications and formulations.

The Company owns registered trademarks, or exclusive licenses to use registered trademarks, that identify its products by brand-name. Under most of the brand names, the Company markets several different but categorically-related products. The brand and trademark names include “Plus+White” (oral health-care products), “Sudden Change” (skin-care products), “Bikini Zone” (after-shave analgesic products for women), “Wash n Curl,” “Wash n Straight” and “Pro Perm” (hair-care products), “Mega 14” Balanced Fiber and “Mega T” Green Tea (dietary products), “Nutra Nail” and “Nutra Nail 60” (nail treatments), “Hair Off” (depilatories), “IPR” (foot-care products), “Solar Sense” and “Kid Sense” (sun-care products), “Mood Magic” (lipsticks), “Cloud Dance” and “Cherry Vanilla” (perfumes).

All Company products are marketed and sold to major drug and food chains, mass merchandisers, and wholesale beauty-aids distributors throughout the United States and Canada. In addition, certain of the Company’s products are sold to distributors throughout the world.

The Company recognizes sales at the time its products are shipped to customers. However, while sales are not formally subject to any contract contingency, the acceptance of returns is an industry-wide practice. The Company thus estimates ‘unit returns’ based upon a review of the market’s recent-historical acceptance of subject products as well as current market-expectations, and equates its reserves for estimated returns in the sum of the gross profits, in the five preceding months, realized upon an equivalent number of subject-product sales. (See Item 14, Financial Statements, Note 2). Of course, there can be no precise going-forward assurance in respect of return rates and gross margins, and in the event of a significant increase in the rate of returns, the circumstance could have a materially adverse affect upon the Company’s operations.

In or about November 2000, the Company contacted its accounts and instructed them to return its “Permathene” and “Mega 16” products, which contain phenylpropanolimine (“PPA”), as a result of a general FDA health-warning concerning PPA (a key ingredient in numerous cold-remedies and appetite suppressants, which had been ‘on the market’ for some 50 years). The

Company's revenues from sales of those now discontinued products, in fiscal 2000, were approximately \$2,500,000 (approximately 6.5% of sales). While there can be no assurance of success, the Company expects to 'replace' PPA - product revenue through promotion and sale of "Mega 14" Balanced Fiber, an all natural-fiber diet product, and "Mega T" Green Tea.

In October 2000, the Company paid \$450,000 to purchase, from Shiara Holdings, Inc., the following trademarks: "Cherry Vanilla," "Cloud Dance," "Sunset Café," "Vision," "Mandarin Vanilla" and "Amber Musk." (Those trademarks had been licensed by the Company since 1998; and, until their purchase, the Company had been committed to paying 5% royalties, and \$150,000 *per annum* minimum royalties, for mark-associated product sales.)

The Company's total net-sales in fiscal 2000 were approximately \$38,450,000. Foreign sales accounted for approximately 2.5% of sales. In fiscal 2000, the Company realized approximately \$24,000,000 in gross profits from operations, before 'taking' write offs and reserves totaling approximately \$1,500,000 in consequence of the afore-referenced FDA/PPA-product circumstance.

The Company experienced a total net loss in fiscal 2000 of approximately \$655,000; and, at fiscal year end, total assets were approximately \$20,312,000. (See the Financial Statements and Notes)

Including the principal members of management (see Directors and Executive Officers), the Company, at November 30, 2000, had 132 sales, administrative, creative, accounting, receiving, and warehouse personnel in its employ.

#### (b) Manufacturing and Shipping

The Company creates formulations, chooses colors and mixtures, and arranges with independent contractors for the manufacture of its products pursuant to Company specifications. Manufacturing and component-supply arrangements are maintained with several manufacturers and suppliers. Almost all orders and other product shipments are delivered from the Company's own warehouse facilities, which results in more effective inventory control, more efficient shipping procedures, and the realization of related economies.

#### (c) Marketing and Advertising

The Company markets its products through an in-house sales force of employees, and independent sales representatives throughout the United States, to major drug, food and mass-merchandise retail chains, and leading wholesalers.

The Company sells its products to approximately 600 accounts, most of which have numerous outlets. Approximately 40,000 stores carry at least one Company product.

During the fiscal year ended November 30, 2000, the Company's largest customers were WalMart (approximately 26% of sales), Walgreen (approximately 13%), CVS, K-Mart, Eckerd, and Rite Aid (each approximately 6%). The loss of any of these principal customers, or substantial

reduction of sales revenues realized from their business, could materially and negatively affect the Company's earnings.

Most of the Company's products are not particularly susceptible to seasonal-sales fluctuation. However, sales of depilatory, sun-care and diet-aids products customarily peak in the Spring and Summer months, while fragrance-product sales customarily peak in the Fall and Winter months.

The Company has an in-house advertising department. The advertising staff designs point-of-purchase displays, including 'blister cards', sales brochures and packaging layouts. The production of displays, brochures, layouts and the like is accomplished through contract suppliers.

The Company primarily utilizes local and national television advertisements to promote its leading brands. On occasion, print and radio advertisements are engaged. In addition, and more-or-less continuously, store-centered product promotions are co-operatively undertaken with customers.

Each of the Company's brand-name products is intended to attract a particular demographic segment of the consumer market, and advertising campaigns are directed to the respective market-segments.

The Company's in-house staff is responsible for the 'traffic' of its advertising. Placement is accomplished directly and through media-service companies.

(d) "Wholly-Owned" Products

The majority of the Company's sales revenues are from sales of the Company's "wholly-owned" product lines (i.e., products sold under trademark names owned by the Company, and not subject to any other party's interest or license), including "Plus+White", "Sudden Change," "Bikini Zone," "Wash-n-Curl," "Wash n Straight," "Mood Magic," and (since the perfume-product trademark purchase from Shiara Holdings in October 2000), "Cloud Dance" and "Cherry Vanilla."

"Plus + White", "Sudden Change" and "Bikini Zone," the three best performers among wholly-owned products, accounted for approximately 36%, 19% and 10%, respectively, of the Company's net-sales revenues during fiscal 2000.

Net sales of perfume products were approximately \$2,100,000 in fiscal 1999, and \$1,400,000 in fiscal 2000. (Perfume products were marketed by a subsidiary, Fragrance Corporation of America, Inc. -- "FCA" -- in fiscal 1998 and 'most' of fiscal 1999. Near year-end fiscal 1999, FCA's operations were discontinued, and CCA then assumed the marketing of perfume products -- particularly, "Cherry Vanilla" and "Cloud Dance.")

(e) License-Agreements Products

i. Alleghany Pharmacal

In 1986, the Company entered into a license agreement with Alleghany Pharmacal Corporation (the "Alleghany Pharmacal License"). Under the terms of the Alleghany Pharmacal License, the Company was granted, and yet retains, the exclusive right to manufacture and market certain products, and to use their associated trademarks, including "Nutra Nail," "Nutra Nail 60," "Pro Perm," "Hair Off," "Permathene" and "IPR ."

The Alleghany Pharmacal License requires the Company (a) to pay royalties of 6% *per annum* on net sales of "Pro-Perm" hair-care products, the PPA-based and now discontinued dietary-product "Permathene," "IPR" foot-care products, "Nutra-Nail" nail-enamel products, and "Hair-Off" depilatories; and (b) to pay 1% royalties on net sales of a "Hair-Off" mitten that is a depilatory-product accessory, and "Nutra Nail 60," a fast-acting nail enamel.

The Company is required to pay not less than \$360,000 *per annum* in order to maintain exclusive rights under the Alleghany Pharmacal License. (Royalties have always exceeded the minimum; but, if they did not, the Company would be entitled to maintain exclusive license rights by electing to pay the 'difference.' At the same time, the Company would not be required to pay any fee in excess of royalties payable in respect of realized sales if sales did not yield 'minimum royalties' and the Company chose in such circumstance to concede the license rights.)

The Alleghany Pharmacal License agreement provides that if, and when, in aggregate, \$9,000,000 in royalties has been paid thereunder, the royalty-rate for those products now 'charged' at 6% will be reduced to 1%. Through November 30, 2000, the Company had paid or accrued Alleghany-Pharmacal License royalties in the sum of \$ 7,451,454.

The products subject of the Alleghany-Pharmacal License accounted for approximately \$10,900,000 and 28% of total sales in the fiscal year ended November 30, 2000. "Nutra Nail" and the "Hair-Off" depilatory were the leaders among all of the Company's license-agreement products, producing approximately 14% and 7%, respectively, of net revenues.

ii. Solar Sense, Inc.

CCA commenced the marketing of its sun-care products line following a May 1998 License Agreement with Solar Sense, Inc. (the "Solar Sense License"), pursuant to which it acquired the exclusive right to use the trademark names "Solar Sense" and "Kids Sense" (and several other names that it has not marketed), and the exclusive right to market mark-associated products. The Solar Sense License requires the Company to pay a 5% royalty on net sales of licensed products until \$1 million total royalties are paid and 1%, thereafter; and minimum *per-annum* royalties of \$30,000. CCA realized approximately \$705,000 in net sales of sun-care products, and paid Solar Sense the \$30,000 minimum *per annum* royalty, in fiscal 2000.

### iii. Other Licenses

The Company is not party to any other license agreement that is material to its operations.

#### (f) Trademarks

The Company's own trademarks and licensed-use trademarks serve to identify its products and proprietary interests and the Company considers these marks to be valuable assets. However, there can be no assurance, as a practical matter, that trademark registration results in marketplace advantages, or that the presumptive rights acquired by registration will necessarily and precisely protect the presumed exclusivity and asset value of the marks.

#### (g) Competition

The market for cosmetics and perfumes, and health-and-beauty aids products in general, including patent medicines, is characterized by vigorous competition among producers, many of which have substantially greater financial, technological and marketing resources than the Company. Major competitors such as Revlon, L'Oreal, Colgate, Del Laboratories, Unilever, and Procter & Gamble have Fortune 500 status, and the broadest-based public recognition of their products. Moreover, a substantial number of other health-and-beauty aids manufacturers and distributors may also have greater resources than the Company.

#### (h) Government Regulation

All of the products that the Company markets are subject or potentially subject to particular regulation by government agencies, such as the U.S. Food and Drug Administration, the Federal Trade Commission, and various state and/or local regulatory bodies. In the event that any future regulation were to require new approval for any in-the-market for product, or should require approval for any planned product, the Company would attempt to obtain the necessary approval and/or license, assuming reasonable and sufficient market expectations for the subject product. However, there can be no assurance, in the absence of particular circumstances, that Company efforts in respect of any future regulatory requirements would result in approvals and issuance of licenses. Moreover, if such license-requirement circumstances should arise, delays inherent in any application-and-approval process, as well as any refusal to approve, could have a material adverse affect upon existing operations (i.e., concerning in-the-market products) or planned operations.

## **Item 2. PROPERTY**

The principal executive offices of the Company are located at 200 Murray Hill Parkway, East Rutherford, New Jersey. There, under a net lease, the Company occupies approximately 62,500 square feet of space. Approximately 45,000 square feet in such premises is used for warehousing

and 17,500 for offices. The annual rental is \$267,684. The lease expires on March 31, 2005.

The Company leases 51,000 square feet of warehouse space in Paterson, New Jersey. The Company pays \$13,260 per month pursuant to a lease expiring May 31, 2001, and will pay \$14,805 per month for such space, through May 31, 2002.

### **Item 3. LEGAL PROCEEDINGS**

The Company is engaged in one potentially-material litigation, pending in the United States District Court for the District of New Jersey. The plaintiff claims to be due approximately \$450,000 in total, but paid CCA only (approximately) \$170,000 for subject (Plus+White) product purchases. Its essential claim is that the products 'liquefied,' and were thus defective. The Company contends that the purchaser (which purchased for delivery to a third party) made no product complaint until one and one-half years after delivery, and that the third-party made additional Plus+White purchases after the purchaser complained); that these circumstances should prevent plaintiff's 'proof' of claim; that the Company has other bases of meritorious defense; and that, in any event, the Company believes the amount claimed by plaintiff as damages due is greatly in excess of any damages it could prove even if its essential claims were substantively provable.

### **Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

On July 12, 2000, the Company held its annual meeting of shareholders. The actions taken, and the voting results thereupon, were as follows:

(1) David Edell, Ira W. Berman, Jack Polak, and Stanley Kreitman were elected as directors by the holders of Class A Common Stock. (No proxy was solicited therefor, whereas Messrs. Berman, Polak and David Edell own more than 98% of the Class A Common Stock, and they proposed themselves and Mr. Kreitman.)

(2) As proposed by Management, Sidney Dworkin, Dunnan Edell and Rami Abada were elected as directors by the holders of the Common Stock. (Sidney Dworkin died in October 2000.)

(3) The Board's appointment of Sheft Kahn & Company LLP as the Company's independent certified public accountants for the 2000 fiscal year was approved.

The Company has not submitted any matter to a vote of security holders since the 2000 Annual Meeting.

## PART II

### **Item 5. MARKET FOR THE COMPANY'S COMMON STOCK AND RELATED SHAREHOLDER MATTERS**

In June 2000, the Company filed a Schedule TO (and an Amendment No.1 thereto) with the Securities And Exchange Commission ("S.E.C."); and, contemporaneously thereafter, presented the tender offer subject of the Schedule TO to its shareholders. Pursuant thereto, the Company offered to purchase up to 2,500,000 shares of its own Common Stock (but not Class A Common Stock), in exchange for a \$2 subordinated debenture, maturing August 1, 2005, with 6% interest, payable semi-annually. In response, 278, 328 shares were tendered and accepted for payment. The tender offer closed, as provided in the Schedule TO and the Offer documents presented to all Common Stock shareholders, on July 31, 2000. (A second and final amendment to the Schedule TO, reporting the results of the tender offer, was filed with the S.E.C. on August 1, 2000.)

The Company's Common Stock is traded on the NASDAQ National Market. Because, for some time (a) the Common Stock has traded at less than \$1.00 per share, and (b) the total market value of shares available for public trading has been below \$5,000,000, NASDAQ notified the Company that its stock is to be de-listed. However, the Company requested a hearing and, at least pending the hearing, and determination of the Company's appeal, the Common Stock will continue 'on' NASDAQ. The range of high and low sales prices of the Common Stock during each quarter of its 2000 and 1999 fiscal years was as follows:

<u>Quarter Ended</u>	<u>2000</u>	<u>1999</u>
February 29	1.75-1.12	2.125 - 1.125
May 31	1.50-0.87	1.5 - 1.063
August 31	1.28-1.00	1.781 - 1.156
November 30	1.06-0.59	2.031 - 1.25

The high and low prices for the Company's Common Stock, on February 22, 2001 were \$.81 and \$.63 per share.

The Company's only 'sales' of unregistered securities were represented by its issuance, in consequence of the above described tender offer and Schedule TO, of the \$2, 5-year promissory notes, 6% interest, subject of the offer's \$2 subordinated debenture. (Those securities are unregistered pursuant to an exemption from registration requirements. In any event, and in addition to the form denominated by the S.E.C. as "Schedule TO," with the Schedule TO information, the following documents subject of the tender offer were filed with the S.E.C., prior to commencement of the offering: A Trust Indenture, a form of the eventually-issued Promissory Notes, and the Offering Document that was thereafter transmitted to Common Stock shareholders.)

As at February 22, 2001, there were approximately 230 holders of shares of the Company's equity stock. (There are a substantial number of shares held of record in various street and depository trust accounts which represent approximately 1,000 additional shareholders.)

The Company has never paid any dividend, and does not expect to pay any dividend in the foreseeable future.

**Item 6. SELECTED FINANCIAL DATA**

	Year Ended November 30,				
	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Statement of Income					
Sales	\$38,451,980	\$39,028,936	\$41,083,974	\$ 37,708,922	\$39,469,098
Other income	<u>186,284</u>	<u>285,469</u>	<u>318,296</u>	<u>293,953</u>	<u>235,925</u>
	38,638,264	39,314,405	41,402,270	38,002,875	39,705,023
Costs and Expenses (excluding special charge)	38,120,685	38,500,390	38,570,096	34,730,052	37,790,397
Income Before Special Charge and Provision for Income Taxes	517,579	814,015	2,832,174	3,272,823	1,914,626
Special Charge	( 1,500,000)	-	-	-	-
Net (Loss) Income from Continuing Operations	( 654,510)	512,504	1,667,973	2,031,494	1,051,434
(Loss) Income from Discontinued Operations	-	( 803,603)	-	-	-
Net Income (Loss)	( 654,510)	( 291,099)	1,667,973	2,031,494	1,051,334
Earnings Per Share:					
Basic	(\$ .09)	(\$ .04)	\$ .23	\$ .28	\$ .15
Diluted	(\$ .09)	(\$ .04)	\$ .21	\$ .25	\$ .13
Weighted Average Number of Shares Outstanding	7,153,013	7,174,203	7,243,956	7,205,904	7,120,099
Weighted Average Number of Shares and Common Stock Equivalents Outstanding	7,153,013	7,660,796	8,075,169	8,108,482	7,989,383
<u>Balance Sheet Data:</u>					
		As At November 30,			
	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Working Capital	\$12,249,375	\$12,291,890	\$12,067,263	\$11,331,810	\$ 9,367,639
Total Assets	20,312,056	21,494,987	24,010,136	19,224,291	17,038,752
Total Liabilities	6,345,508	6,328,905	8,410,687	5,139,769	4,983,870
Total Stockholders' Equity	13,966,548	15,166,082	15,599,449	14,084,522	12,054,882

## **Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

On March 3, 1986, the Company entered into a Licence Agreement with Alleghany Pharmacal Corporation under the terms of which the Company was granted the exclusive right to use the licensed products & trademarks for the manufacture and distribution of the products subject to the License Agreement. Under the terms of the Alleghany Pharmacal License (see "Business-License Agreements"), the royalty-rate for those Alleghany Pharmacal License products now 'charged' at 6% will be reduced to 1% after the sum of \$9,000,000 in royalties has been paid thereunder. (Certain products subject of the license are, even now, 'charged' at only 1%. See "Business-License Agreements")

As at November 30, 2000, the Company had paid or accrued \$7,451,454 in royalty payments.

### Comparison of Results for Fiscal Years 2000 and 1999

The Company's revenues decreased from \$39,314,405 in fiscal 1999 to \$38,638,264 in fiscal 2000, primarily due to the discontinuance of most of its FCA subsidiary's product line.

Gross profit margins were 62.8% as compared to 61.3% in the prior year. Operations were similar to prior years with the following exceptions.

The Federal Drug Administration issued a press release advising that a PPA (phenylpropanolamine) ingredient could be harmful although it has been sold in the market for 51 years in a variety of well known products for decongestion and appetite suppression (Robitussin, Dimetapp, Dexatrim, Alka Seltzer decongestant, etc.). The Company's Mega 16 diet products contained this ingredient.

The Company has taken deductions for an aggregate of approximately \$1,500,000 in the fourth quarter for the costs associated with the PPA receivables, future returns, and inventory destruction. The Company has advised its accounts that it would accept returns. The FDA is being asked to review its decision by the Non-Prescription Drug Manufacturers Association. Revenues have been reduced by approximately \$1,250,000 due to actual and estimated returns with a corresponding reduction in receivables. Year-end inventory was reduced by approximately \$250,000 consisting of PPA finished goods and componentry still on hand at November 30, 2000.

In addition, the Company has decided to increase its reserves against receivables due to the pressure by our retail customers who have been seeking more and more unauthorized deductions. Although we contest most of these deductions, it might require, with certain of our important accounts, settling some of our disputes in order to keep our relationship with them. We, therefore, have decided to increase our accrual for allowances by \$400,000.

The result of the items referred to above was an aggregate charge of \$1,900,000 against the Company's earnings from continuing operations, and resulted in a net loss of \$654,510 for fiscal 2000. In the prior year, the Company took a charge of \$803,603 from discontinued operations that resulted in a loss of \$291,099.

SG&A expenses decreased from \$13,322,081 in fiscal 1999, to \$12,557,064 in fiscal 2000, primarily due to the discontinuance of its FCA subsidiary. Advertising costs increased from approximately 24% of net sales, to approximately 27% of net sales, primarily due to the increase in the Company's Coop advertising and an additional promotional allowances of \$400,000 accrued for deductions claimed by key customers. Research and development expenses were substantially similar to the prior year (\$555,462 vs. \$581,340). Bad debt expense (\$249,279 vs. \$115,569) would also have been similar to the prior year if not for one large writeoff of \$90,000 from a foreign account.

### Comparison of Results for Fiscal Years 1999 and 1998

The Company's revenues decreased from \$41,083,974 in fiscal 1998 to \$39,028,936 in fiscal 1999 due primarily to the decrease in its sales of its "Nutra 60" line, which it has discontinued marketing, and a decrease in its sales of perfume products of its discontinued FCA subsidiary. The Company adopted a plan to discontinue operations of its 80% owned subsidiary, Fragrance Corporation of America, Ltd. (FCA) and, accordingly, reflected a loss from the discontinued operations of \$803,603.

Gross profit margins were 61.3% as compared to prior year's gross profit margins of 62.7%. Income before taxes decreased from \$2,832,174 to \$814,015. The decrease was attributable to the decrease in approximately \$2,000,000 of revenues, approximately \$500,000 of costs of converting to the MegaSys Software Systems for Y2K readiness and E.D.I. integration, and an increase in advertising and cooperative promotions of approximately \$400,000.

Research and development expenses were substantially similar to the prior year (\$581,360 vs \$562,708); Bad debt expense decreased to \$115,569 from \$201,630 due to the fact that the Company had the expense of setting up an initial reserve on the receivables of its FCA subsidiary in 1998..

Net income from continuing operations was \$512,504 as compared to \$1,667,973. A loss of \$803,603 from discontinuing operations caused a net loss of \$291,099 in fiscal 1999 as compared to a net profit of \$1,667,973 in fiscal 1998.

### Liquidity and Capital Resources

As at November 30, 2000, the Company had working capital of \$12,249,375 as compared to \$12,291,890 at November 30, 1999. The ratio of total current assets to current liabilities was 3.1 to 1 as compared to a ratio of 2.9 to 1 for the prior year. Stockholders' equity decreased to \$13,966,548 from \$15,166,082 due to the loss sustained for the year as well as the repurchase of

approximately 300,000 shares of the Company's stock through the issuance of a debenture and to a lesser degree cash purchases.

The Company's cash position at year end decreased to \$804,508 from \$807,360 as at November 30, 1999. The minor decrease was mostly a net result of the reduction in inventory (\$.5 million) and accounts receivable (\$1 million) offset by the Company utilizing approximately \$.3 million in the acquisition of property and equipment, \$.5 million for intangible assets, \$.5 million to reduce payables.

Inventories (\$5,735,427 vs. \$6,235,270) were down \$499,843 and accounts receivable (\$6,329,755 vs. \$7,371,532) decreased \$1,041,777. Current liabilities (\$5,788,852 vs. \$6,328,905) decreased by \$540,053.

As of November 30, 2000, the Company was utilizing \$1,500,000 of the funds available under its \$7,000,000 credit line. The Company has issued a security agreement in connection with the bank financing.

#### Inventory, Seasonality, Inflation and General Economic Factors

The Company attempts to keep its inventory for every product at levels that will enable shipment against orders within a three week period. However, certain components must be inventoried well in advance of actual orders because of time-to-acquire circumstances. For the most part, purchases are based upon projected quarterly requirements, which are projected based upon sales indications received by the sales and marketing departments, and general business factors. All of the Company's contract-manufacture products and components are purchased from non-affiliated entities. Warehousing is provided at Company facilities, and all products are shipped from the Company's warehouse facilities.

None of the Company's products are particularly seasonal, but sales of its sun-care, depilatory and diet-aid products usually peak during the Spring and Summer seasons, and perfume sales usually peak in Fall and Winter. The Company does not have a product that can be identified as a 'Christmas item.'

Because its products are sold to retail stores (throughout the United States and, in small part, abroad), sales are particularly affected by general economic conditions. Accordingly, any adverse change in the economic climate can have an adverse impact on the Company's sales and financial condition. The Company does not believe that inflation or other general economic circumstance that would negatively affect operations can be predicted at present, but if such circumstances should occur, they could have material and negative impact on the Company's net sales and revenues; and, more particularly, unless the Company were able to pass along related cost increases to its customers, upon gross margins.

**Item 7A. QUANTITATIVE AND QUALITATIVE  
DISCLOSURE ABOUT MARKET RISK**

The Company's financial statements (See Item 14) record the Company's investments under the equity method (i.e., at date-of-statement market value). The investments are, categorically, in "Government Obligations" and "Corporate Obligations" (which, primarily, are intended to be held to maturity) and "Equity." Less than \$1 million of the Company's \$3.4 million portfolio of investments (approximate, as at Nov. 30, 2000) is invested in the "Equity" category, and all investments in that category are Preferred Stock or Mutual Fund holdings. Whereas the Company does not take positions or engage in transactions in risk-sensitive market instruments in any substantial degree, nor as defined by SEC rules and instructions, it does not believe that its investment-market risk is material.

**Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The Financial Statements are listed under Item 14 in this Form 10-K. The following financial data is a summary of the quarterly results of operations (unaudited) during and for the years ended November 30, 2000 and 1999:

	Three Months Ended							
<u>Fiscal 2000</u>	<u>Feb. 28</u>		<u>May 31</u>		<u>Aug. 31</u>		<u>Nov. 30</u>	
Net Sales	\$8,581,108		\$11,955,894		\$9,876,439		\$8,038,539	
Total Revenue	8,643,309		12,026,517		9,962,647		8,005,791	
Cost of Products Sold	3,704,031		4,191,877		3,499,660		2,904,360	
Net Income(Loss)	( 206,122)		750,806		59,034		( 1,258,228)	
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Earnings Per Share:								
Continuing Operations	(.03)	(.03)	.10	.10	.02	.02	(.18)	(.18)
Discontinued Operations	-	-	-	-	(.01)	(.01)	-	-
Net	(.03)	(.03)	.10	.10	.01	.01	(.19)	(.19)

Three Months Ended

<u>Fiscal 1999</u>	<u>Feb. 28</u>	<u>May 31</u>	<u>Aug. 31</u>	<u>Nov. 30</u>			
Net Sales	\$9,745,760	\$11,320,784	\$8,577,549	\$9,384,843			
Total Revenue	9,786,738	11,363,885	8,680,172	9,483,610			
Cost of Products Sold	4,015,751	4,471,932	3,542,260	3,066,028			
Income from Continuing Operations	71,661	246,015	( 353,564)	548,392			
Income (Loss) from Discontinued Operations	-	-	( 803,603)	-			
Net Income	71,661	246,015	( 1,157,167)	548,392			
	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u> <u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>	<u>Basic</u>	<u>Diluted</u>
Earnings Per Share:							
Continuing Operations	.01	.01	.03 .03	.05 .05	.08	.07	
Discontinued Operations	-	-	- -	(.11) (.11)	-	-	
Net	.01	.01	.03 .03	(.16) (.16)	.08	.07	

**Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS  
ON ACCOUNTING AND FINANCIAL DISCLOSURE**

The Company did not change its accountants within the twenty-four months prior to the date of the most recent financial statements (nor since), and had no reported disagreement with its accountants on any matter of accounting principles or practices.

### PART III

#### **Item 10. DIRECTORS AND EXECUTIVE OFFICERS**

The Executive Officers and Directors of the Company are as follows:

<u>NAME</u>	<u>POSITION</u>	<u>YEAR OF FIRST COMPANY SERVICE</u>
David Edell	President and Chief Executive Officer, Director	1983
Ira W. Berman	Chairman of the Board of Directors, Secretary, Executive Vice President	1983
Dunnan Edell	Executive Vice Pres.- Sales, Director	1984
Drew Edell	Vice President- Manufacturing and New Product Development	1983
John Bingman	Treasurer	1986
Stanley Kreitman	Director	1996
Jack Polak	Director	1983
Rami G. Abada	Director	1997

David Edell, age 69, is a director, and the Company's President and Chief Executive Officer. Prior to his association with the Company he was a marketing and financial consultant; and, by 1983, he had extensive experience in the health and beauty aids field as an executive director and/or officer of Hazel Bishop, Lanolin Plus and Vitamin Corporation of America.

Ira W. Berman, age 69, is the Company's Executive Vice President and Corporate Secretary. He is also Chairman of the Board of Directors. Mr. Berman is an attorney who has been engaged in the practice of law since 1955. He received a Bachelor of Arts Degree (1953) and Bachelor of

Laws Degree (1955) from Cornell University, and is a member of the American Bar Association.

Dunnan Edell is the 45 year-old son of David Edell. He has been a director since 1994. A Senior Vice President-Sales, he joined the Company in 1984 and was appointed Divisional Vice-President in 1986. He was employed by Alleghany Pharmacal Corporation from 1982 to 1984, and by Hazel Bishop from 1977 to 1981.

Drew Edell, the 43 year-old son of David Edell, is a graduate of Pratt Institute, where he received a Bachelor's degree in Industrial Design. He joined the Company in 1983, and in 1985 he was appointed Vice President-Product Development and Production.

John Bingman, age 49, received a Bachelor of Science degree from Farleigh Dickenson University in 1973. He is a certified public accountant who practiced with the New Jersey accounting firm of Zarrow, Zarrow & Klein from 1976 to 1986.

Jack Polak, age 88, has been a private investment consultant since April 1982, and holds a tax consultant certification in The Netherlands. He was a director and member of the Audit and Compensation Committee of K.T.I. Industries, Inc., from February 1995 until 1999, when K.T.I., a waste-to-energy business, was 'taken over' by Casella Industries. Since March 2000, he has been a director of Oakhurst Industries, a public company that owns an automotive accessories distributor, a waste-to-energy tire facility, and a road construction company.

Stanley Kreitman, age 69, has been Vice Chairman of the Board of Manhattan Associates, an equity - investment firm, since 1994. He is also a director of Medallion Financial Corp., an SBIC. Mr. Kreitman has been Chairman of the Board of Trustees of the New York Institute of Technology since 1989, and of Crime-Stoppers Nassau County (NY), since 1994. Since February 1999 and June 1999, respectively, he has been a member of the Board of Directors of K.S.W. Corp. and P.M.C.C. Mortgage Corp. He is also a director and/or executive committee member of the following organizations: The New York City Board of Corrections, The New York City Police Foundation, St. Barnabas Hospital, The New York College of Osteopathic Medicine, and the Police Athletic League. From 1975 until 1993, he was President of United States Banknote Corporation, a securities printer.

Rami G. Abada, age 41, is the President and Chief Operating Officer of the publicly-owned Jennifer Convertibles, Inc. He has been its Chief Operating Officer since April of 1994. From 1982 to 1994, he was a Vice President of Operations in the Jennifer Convertibles organization. Mr. Abada, who is Ira Berman's son-in-law, earned a B.B.A. in 1981 upon his graduation from Bernard Baruch College of The City University of New York.

(Sidney Dworkin, who had been a director since 1985, passed away in October, 2000.)

## Item 11. EXECUTIVE COMPENSATION

### i. Summary Compensation Table

The following table summarizes compensation earned in the 2000, 1999 and 1998 fiscal years by all of the executive officers whose fiscal 2000 compensation exceeded \$100,000, including the Chief Executive Officer (the "Named Officers").

Name and Principal Position	Year	Annual Compensation		Long-Term Compensation		
		Salary	Bonus	All Other Annual Compen- sation(1)	Number of Shares Covered by Stock Options Granted(2)	Other Long-Term Compen- sation
David Edell, President and Chief Executive Officer	2000	\$425,372	\$132,221	\$12,552	-	0
	1999	401,468	111,546	17,088	-	0
	1998	378,743	151,604	19,429	-	0
Ira. W. Berman, Secretary and Executive Vice President	2000	\$425,372(3)	\$132,221	\$11,775	-	0
	1999	401,468(3)	111,546	16,666	-	0
	1998	378,743(3)	151,604	16,403	-	0
Dunnan Edell, Executive Vice President - Sales	2000	\$218,076	\$ 4,194	\$ 2,723	-	0
	1999	200,000	15,000	7,614	-	0
	1998	200,000	-	9,787	-	0
Drew Edell Vice President Manufacturing	2000	\$175,000	\$ 3,365	\$ 577	-	0
	1999	150,000	12,000	1,468	-	0
	1998	150,000	-	2,508	-	0

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 (1) Includes the personal-use value of Company-leased automobiles, the value of Company-provided life insurance, and health insurance that is made available to all employees, plus directors fees paid

to Messrs. David Edell, Ira Berman and Dunnan Edell.

(2) Information in respect of stock option plans appears below in the sub-topic, Employment Contracts/Executive Compensation Program.

(3) Includes \$99,396 paid to Ira W. Berman & Associates, P.C.

ii. Fiscal 2000 Option Grants and Option Exercises,  
Year-End Option Valuation, Option Repricing

No new options were issued to any of the Named Officers in fiscal 2000.

The next table identifies 2000 fiscal-year option exercises by Named Officers, and reports a valuation of their options.

Fiscal 2000 Aggregated Option Exercises  
and November 30, 2000 Option Values

No options were exercised by any of the Named Officers in fiscal 2000.

	Number of Shares Acquired <u>On Exercise</u>	Value <u>Realized</u>	Number of Shares Covered by Un- exercised Options <u>at November 30, 2000</u>	Value of Unexercised In-the-Money Options <u>at November 30, 2000(1)</u>
David Edell	-	-	457,500	149,125
Ira W. Berman	-	-	502,000	172,750
Dunnan Edell	-	-	75,000	-
Drew Edell	-	-	75,000	-

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(1) Represents the difference between market price and the respective exercise prices of options at November 30, 2000.

### Repriced Options

The following table identifies the stock options held by the Named Officers and all other officers and directors, the exercise prices of which have been reduced during the past 10 years.

	<u>Number of Shares</u>	<u>Original Grant</u>	<u>Original Date</u>	<u>Date</u>	<u>Price</u>	<u>New Repriced</u>	<u>Price</u>
David Edell (1)	100,000	Aug. 1, 1997	\$2.50	Nov. 3, 1998		1.50	
Ira W. Berman (1)	100,000	Aug. 1, 1997	2.50	Nov. 3, 1998	1.50		
Dunnan Edell (1)	50,000	Aug. 1, 1997	2.50	Nov. 3, 1998	1.50		
Drew Edell (1)	50,000	Aug. 1, 1997	2.50	Nov. 3, 1998	1.50		
Stanley Kreitman (1)	25,000	Aug. 1, 1997	2.50	Nov. 3, 1998	1.50		
Sidney Dworkin (1)	25,000	Aug. 1, 1997	2.50	Nov. 3, 1998	1.50		
Rami Abada (1)	25,000	Aug. 1, 1997	2.50	Nov. 3, 1998	1.50		
Dunnan Edell (2)	25,000	Jun. 10, 1995	4.50	Jun. 10, 2000	1.50		
Drew Edell (2)	25,000	Jun. 10, 1995	4.50	Jun. 10, 2000	1.50		

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(1) The full Board of Directors authorized the repricing in consequence of a declining market valuation, inconsistent with the Company's realizable value. The market price of the Common Stock at the date of repricing was \$1.50; and, at that date, the original option terms (10 years from August 1, 1997) had approximately 8 years and 10 months to run. When the options were originally issued, on August 1, 1997, the market price of the Company's Common Stock was \$2.50.

(2) The full Board of Directors authorized the repricing in consequence of a declining market valuation, inconsistent with the Company's realizable value. The market price of common stock at the date of repricing was \$1.10; and at that date the original terms (5 years from June 10, 1995) were extended for an additional 5 years. When the options were originally issued on June 10, 1995, the market price of the Company's common stock was \$3.

### iii. Compensation of Directors

Each director was paid \$2,000 per meeting for attendance of board meetings in fiscal 2000 (without additional compensation for committee meetings). No options were granted to any director.

The full Board of Directors met five times in fiscal 2000.

iv. Executive Compensation Principles;  
Audit and Compensation Committee

The Company's Executive Compensation Program is based on guiding principles designed to align executive compensation with Company values and objectives, business strategy, management initiatives, and financial performance. In applying these principles the Audit and Compensation Committee of the Board of Directors, comprised of Ira W. Berman, Stanley Kreitman, Jack Polak and Rami Abada, which met five times in fiscal 2000, has established a program to:

- Reward executives for long-term strategic management and the enhancement of shareholder value.
- Integrate compensation programs with both the Company's annual and long-term strategic planning.
- Support a performance-oriented environment that rewards performance not only with respect to Company goals but also Company performance as compared to industry performance levels.

v. Employment Contracts/Compensation Program

The total compensation program consists of both cash and equity based compensation. The Audit and Compensation Committee (the "Committee") determines the level of salary and bonuses, if any, for key executive officers other than Messrs. David Edell and Ira Berman (whose compensation rights are provided by contract). The Committee determines the salary or salary range based upon competitive norms. Actual salary changes are based upon performance, and bonuses were awarded by the Committee in consideration of the Company's performance during the 2000 fiscal year.

On March 17, 1994, the Board of Directors approved 10-year employment contracts for David Edell and Ira Berman (with Mr. Edell and Mr. Berman abstaining). Pursuant thereto, each is entitled to a base salary of \$300,000, plus a CPI or 6% increment each year ("base salary"), and an additional sum measured as 2.5% of the Company's pre-tax income, less depreciation and amortization, plus 20% of the base salary.

In February of 1999, the additional sum measurement in the David Edell and Ira Berman employment contracts was amended to provide as follows: 2.5% of the Company's earnings before income taxes, depreciation, amortization, and all expenditures for media and cooperative advertising and promotion in excess of \$8,000,000, plus 20% of the base salary.

Long-term incentives are provided through the issuance of stock options.

vi. Stock Option Plans

The Company's 1994 Stock Option Plan covers 1,000,000 shares of its Common Stock.

(The 1984 Stock Option Plan covered 1,500,000 shares of its Common Stock, and the 1986 Stock Option Plan covered 1,500,000 shares of its Common Stock.)

The 1994 Option Plan provides (as had the 1984 and 1986 plans) for the granting of two (2) types of options: "Incentive Stock Options" and "Nonqualified Stock Options". The Incentive Stock Options (but not the Nonqualified Stock Options) are intended to qualify as "Incentive Stock Options" as defined in Section 422(a) of The Internal Revenue Code. The Plans are not qualified under Section 401(a) of the Code, nor subject to the provisions of the Employee Retirement Income Security Act of 1974.

Options may be granted under the Options Plans to employees (including officers and directors who are also employees) and consultants of the Company, provided, however, that Incentive Stock Options may not be granted to any non-employee director or consultant.

Option plans are administered and interpreted by the Board of Directors. (Where issuance to a Board member is under consideration, that member must abstain.) The Board has the power, subject to plan provisions, to determine the persons to whom and the dates on which options will be granted, the number of shares subject to each option, the time or times during the term of each when options may be exercised, and other terms. The Board has the power to delegate administration to a Committee of not less than two (2) Board members, each of whom must be disinterested within the meaning of Rule 16b-3 under the Securities Exchange Act, and ineligible to participate in the option plan or in any other stock purchase, option or appreciation right under plan of the Company or any affiliate. Members of the Board receive no compensation for their services in connection with the administration of option plans.

Option Plans permit the exercise of options for cash, other property acceptable to the Board or pursuant to a deferred payment arrangement. The 1994 Plan specifically authorizes that payment may be made for stock issuable upon exercise by tender of Common Stock of the Company; and the Executive Committee is authorized to make loans to option exercisers to finance optionee tax-consequences in respect of option exercise, but such loans must be personally guaranteed and secured by the issued stock.

The maximum term of each option is ten (10) years. No option granted is transferable by the optionee other than upon death.

Under the plans, options will terminate three (3) months after the optionee ceases to be

employed by the Company or a parent or subsidiary of the Company unless (i) the termination of employment is due to such person's permanent and total disability, in which case the option may, but need not, provide that it may be exercised at any time within one (1) year of such termination (to the extent the option was vested at the time of such termination); or (ii) the optionee dies while employed by the Company or a parent or subsidiary of the Company or within three (3) months after termination of such employment, in which case the option may, but need not provide that it may be exercised (to the extent the option was vested at the time of the optionee's death) within eighteen (18) months of the optionee's death by the person or persons to whom the rights under such option pass by will or by the laws of descent or distribution; or (iii) the option by its terms specifically provides otherwise.

The exercise price of all nonqualified stock options must be at least equal to 85% of the fair market value of the underlying stock on the date of grant. The exercise price of all Incentive Stock Options must be at least equal to the fair market value of the underlying stock on the date of grant. The aggregate fair market value of stock of the Company (determined at the date of the option grant) for which any employee may be granted Incentive Stock Options in any calendar year may not exceed \$100,000, plus certain carryover allowances. The exercise price of an Incentive Stock Option granted to any participant who owns stock possessing more than ten (10%) of the voting rights of the Company's outstanding capital stock must be at least 110% of the fair market value on the date of grant and the maximum term may not exceed five (5) years.

Consequences to the Company: There are no federal income tax consequences to the Company by reason of the grant or exercise of an Incentive Stock Option.

As at November 30, 2000, 1,184,500 stock options, yet exercisable, to purchase 1,184,500 shares of the Company's Common Stock, were outstanding.

vii. Performance Graph

Set forth below is a line graph comparing cumulative total shareholder return on the Company's Common Stock, with the cumulative total return of companies in the NASDAQ Stock Market (U.S.) and the cumulative total return of Dow Jones's Cosmetics/Personal Care Index.



Cumulative Total Return\*

	11/95	11/96	11/97	11/98	11/99	11/00
CCA Industries, Inc.	100	161	165	96	98	50
DJ Equity Market	100	126	160	192	234	223
DJ Cosmetics/Personal Care	100	129	153	162	148	135

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 \* \$100 invested on November 30, 1995 in stock and indices, including reinvestment of dividends.

**Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding the ownership of the Company's Common Stock and/or Class A Common Stock as of February 8, 2001 by (i) all those known by the Company to be owners of more than five percent of the outstanding shares of Common Stock or Class A Common Stock; (ii) each officer and director; and (iii) all officers and directors as a group. Unless otherwise indicated, each of the shareholders has sole voting and investment power with respect to the shares owned (subject to community property laws, where applicable), and is beneficial owner of them.

<u>Name and Address</u>	<u>Number of Shares Owned (1):</u>		<u>“Option Shares” (1)</u>	<u>Ownership, As A Percentage of All Shares Outstanding/Assuming Option Share Exercise (1)</u>
	<u>Common Stock</u>	<u>Class A (2)</u>		
David Edell c/o CCA Industries, Inc. 200 Murray Hill Parkway East Rutherford, NJ 07073	269,535	484,615	457,500	10.84/16.48
Ira W. Berman	234,595	473,615	502,000	10.18/16.36

c/o CCA Industries, Inc.				
Jack Polak 90 Park Avenue New York, NY 10016	25,000	47,700	25,000	1.05/1.41
Rami G. Abada c/o CCA Industries, Inc.	-	-	25,000	-.36
Stanley Kreitman c/o CCA Industries, Inc.	-	-	25,000	-.36
Dunnan Edell c/o CCA Industries, Inc.	41,250	-	75,000	.59/1.67
Drew Edell c/o CCA Industries, Inc.	51,250	-	75,000	.74/1.81
John Bingman c/o CCA Industries, Inc.	-	-	-	-
Officers and Directors as a group (8 persons)	621,630	1,005,930	-	23.46/34.81

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(1) The number of “Option Shares” represents the number of shares that could be purchased by and upon exercise of unexercised options exercisable within 60 days – and --the percentage ownership figure denominated “Assuming Option Share Exercise” assumes, per person, that unexercised options have been exercised and, thus, that subject shares have been purchased and are actually owned. In turn, the “assumed” percentage ownership figure is measured, for each owner, as if each had exercised such options, and purchased subject ‘option shares,’ and thus increased total shares actually outstanding, but that no other option owner had ‘exercised and purchased.’

(2) David Edell, Ira Berman and Jack Polak own over 98% of the outstanding shares of Class A Common Stock. Messrs. David Edell, Dunnan Edell and Ira Berman are officers and directors. Messrs. Bingman and Drew Edell are officers. Messrs. Abada, Kreitman and Polak are directors.

**Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

Dunnan Edell (a director and officer), is indebted to the Company, pursuant to its loan, in the principal sum of \$21,495. The loan is secured by a second mortgage upon real property, and carries interest at 1% over prime, payable semi-annually.

## PART IV

### **Item 14. EXHIBITS, FINANCIAL STATEMENTS, SCHEDULES AND REPORTS ON FORM 8-K**

#### Financial Statements:

Table of Contents, Independent Auditors' Report, Consolidated Balance Sheets as of November 30, 2000 and 1999, Consolidated Statements of Income for the years ended November 30, 2000, 1999 and 1998, Consolidated Statements of Shareholders' Equity for the years ended November 30, 2000, 1999 and 1998, Consolidated Statements of Cash Flows for the years ended November 30, 2000, 1999 and 1998, Notes to Consolidated Financial Statements.

#### Financial Statement Schedules:

Schedule II: Valuation Accounts; Years Ended Nov. 30, 2000, 1999 and 1998

#### Exhibits:

- (3) The Company's Articles of Incorporation and Amendments thereof, and its By-Laws, are incorporated by reference to their filing with the Form 10-K A filed April 5, 1995. (Exhibit pages 000001-23).
- (4) The Indenture (and the Promissory note exhibited therewith) defining the rights of former shareholders who tendered Common Stock to the Company for its \$2 per share, 5 year, 6% debenture, is filed by reference to the filing of such documents with the Schedule To filed with the S.E.C., on June 5, 2001.
- (10) The Following Material Contracts are incorporated by reference to their filing with the Form 10-KA filed April 5, 1995: Amended and Restated Employment Agreements of 1994, with David Edell and Ira Berman; License Agreement made February 12, 1986 with Alleghany Pharmacal Corporation.

The February 1999 Amendments to the Amended and Restated Employment Agreements of David Edell and Ira Berman (1994) are incorporated by reference to their with the 1998 10-K. (Exhibit pages 00001-00002)

- (11) Statement re Per Share Earnings (included in Item 14, Financial Statements)

No Form 8-K was filed during the 2000 fiscal year.

Shareholders may obtain a copy of any exhibit not filed herewith by writing to CCA Industries, Inc., 200 Murray Hill Parkway, East Rutherford, New Jersey 07073. Moreover, exhibits may be inspected and copied at prescribed rates at the Commission's public reference facilities at Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549; Jacob K. Javits Federal Building, 26 Federal Plaza, New York, New York 10278; and Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Copies of such materials may also be obtained by mail at prescribed rates from the Public Reference Branch of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and one is available at the Commission's Internet website (<http://www.sec.gov>).

