FORM 10-K

ESCALADE INC - ESCA

Filed: March 16, 2001 (period: December 30, 2000)

Annual report with a comprehensive overview of the company

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 DECEMBER 30, 2000
COMMISSION FILE NUMBER 0-6966

ESCALADE, INCORPORATED
(Exact name of registrant as specified in its charter)

Indiana	13-2739290
(State of incorporation)	(IRS EIN)

817 Maxwell Avenue, Evansville, Indiana 47717
(Address of principal executive office)

(812) 467-1200
(Registrant's telephone number)

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

Securities registered pursuant to Section 12(g) of the Act
Common Stock, No Par Value
(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 requirements for the past 90 days. _____X_____

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. ____________

Aggregate market value of voting stock held by nonaffiliates of the registrant as of March 2, 2001: $28,124,718

The number of shares of Registrant's common stock (no par value) outstanding as of March 2, 2001: 2,165,862

Documents Incorporated by Reference

Certain portions of the registrant's Proxy Statement relating to its annual meeting of stockholders scheduled to be held on April 28, 2001 are incorporated by reference into Part III of this Report.

Index to Exhibits is found on page 14.

ESCALADE, INCORPORATED AND SUBSIDIARIES

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PART I

ITEM 1--BUSINESS

GENERAL

Escalade, Incorporated (Escalade or Company) is a diversified company engaged in the manufacture and sale of sporting goods products and office and graphic arts products. Escalade and its predecessors have produced sporting goods products for over 70 years and have produced office and graphic arts products for over 60 years.

Escalade is the successor to The Williams Manufacturing Company, an Ohio-based manufacturer and retailer of women's and children's footwear formed in 1922. Through a series of acquisitions commencing in the 1970's, the Company has diversified its business. The Company currently manufactures sporting goods products in Evansville, Indiana and Tijuana, Mexico and manufactures office and graphic arts products in Wabash, Indiana, Los Angeles, California and Tijuana, Mexico.

In 1972, the Company merged with Martin Yale Industries, Inc. (Martin Yale), an Illinois manufacturer of office and graphic arts products and leisure time items such as toys and hobby and craft items. In 1973, the Company acquired both Indian Industries, Inc. (Indian), an Indiana manufacturer of archery equipment and table tennis tables, and Harvard Table Tennis, Inc., a Massachusetts manufacturer of table tennis accessories. Escalade discontinued the Williams Manufacturing footwear operations in 1976 and sold Martin Yale's leisure time product line to an unaffiliated party in 1979. In 1980, the Company purchased Harvard Sports, Inc. (formerly Crown Recreation (West), Inc.), a California manufacturer of table tennis tables and home pool tables. In 1983, the Company closed Harvard Table Tennis, Inc. and consolidated it with Harvard Sports, Inc. (Harvard).

Escalade has diversified within both the sporting goods products and office and graphic arts products industries, principally through the introduction of new product lines and acquisitions of related assets and businesses. Escalade expanded its sporting goods business in 1982 with the introduction of basketball backboards, goals and poles. In 1988, the Company acquired the business machine division assets of Swingline, Inc., further expanding the range of products offered within the office machine and equipment product lines. In 1989, the Company started limited manufacturing in Tijuana, Mexico under a shelter program known as "maquiladora". In 1990, the Company built a new manufacturing and office facility in Wabash, Indiana and consolidated the manufacturing of office and graphic arts products into the new facility. In 1992, the Company established a European distribution office and warehouse based in the United Kingdom under the name of Escalade International, Limited and then in 1999 the Company sold 50% of the stock of Escalade International to an investment group who assumed responsibility for running the day-to-day operations. In 1994, the Company purchased certain assets of Data-Link Corporation which manufactured products to apply postage and other stamps. In 1997, the Company purchased Master Products Manufacturing Company, Inc. (Master Products), a manufacturer of paper punches and catalog rack systems. In 1999, the Company acquired certain assets of Mead Hatcher which manufactured keyboard drawers, computer storage, copyholders, media retention systems and posting trays. Also, in 1999, the Company purchased the assets of Zue Corporation which manufactured high quality basketball systems. In 2000, the Company purchased the table tennis table assets of Lifetime Products, Inc.

Escalade's sporting goods products are produced by Indian and Harvard and are sold through a single consolidated sales and marketing group, Escalade Sports. Escalade's office and graphic arts products are produced by Martin Yale and Master Products and are sold through a single consolidated sales and marketing group, Martin Yale.

The following table presents the percentages contributed to Escalade's net sales by each of its business segments:

FISCAL YEAR	2000	1999	1998
Sporting goods	69%	61%	67%
Office and graphic arts products	31	39	33
Total net sales	100%	100%	100%

For additional segment information, see the notes to consolidated financial statements.

SPORTING GOODS

Escalade manufactures and sells a variety of sporting goods such as table tennis tables and accessories, archery equipment, home pool tables and accessories, combination bumper pool and card tables, game tables, basketball backboards, goals, poles and portables, darts, and dart cabinets. Some of Escalade's domestic sporting goods shipments are made from National City, California, which primarily services the Company's U. S. Western marketing region, but most of such shipments are made from Evansville, Indiana, which primarily serves the rest of the United States. The majority of foreign shipments are made through Escalade FSC Inc., a foreign sales corporation established by the Company in 1994.

Escalade produces and sells sporting goods under the Indian Archery, Harvard, Xi, Ping Pong, Stiga, Goalrilla, Goaliath, Silverback, Rhino Play, Accudart and Winmau brand names. Escalade also manufactures various sporting goods under private label for Sears Roebuck & Co. (Sears) and various other customers. Many of Escalade's products are sold to Sears, Escalade's largest customer, which accounted for approximately 45% of Escalade's sporting goods items net sales in 2000. No other customer accounted for more than 10% of Escalade's sporting goods net sales in 2000.

Certain of the Company's sporting goods products are subject to the regulation of the Consumer Product Safety Commission. The Company believes that it is in compliance with such regulations.

In December 1998, the Company adopted a plan to discontinue its distribution operations. Those operations were performed by Escalade International, Limited a foreign subsidiary located in the United Kingdom. The Company's other subsidiaries are all manufacturing operations. On July 8, 1999, the Company completed a transaction to sell 50% of the stock of Escalade International to an investment group who assumed responsibility for running the day-to-day operations. The sale was for $500,000 with $50,000 cash paid and notes receivable of $450,000.

The estimated loss on the disposal of Escalade International, Limited was $1,222,279 including a provision of $250,000 for operating losses during phaseout. The actual loss on the sale was $1,118,892 which included $213,057 in operating losses up to the time of sale. 1999 shows a profit of $103,387 which was the amount by which the reserve for loss on this transaction exceeded actual losses. Since only 50% was sold, the operations are not considered discontinued and the financial statements have been revised to eliminate discontinued operations. Going forward, the Company's ownership value in Escalade International will be shown as an investment and will be accounted for under the equity method.

In December 1999, the Company purchased the assets of Zue Corporation which manufactured high quality basketball systems.

In January 2000, the Company purchased the table tennis table assets of Lifetime Products, Inc.

OFFICE AND GRAPHIC ARTS PRODUCTS

Escalade's office and graphic arts products include paper trimmers, paper folding machines, paper drills, collators, decollators, bursting machines, letter openers, paper joggers, checksigners, stamp affixers, paper shredders, paper punches, paper cutters, catalog rack systems, bindery carts, business card slitters, thermography machines, keyboard drawers, computer storage, copyholders, media retention systems, posting trays and related accessories. Escalade's office and graphic arts products business is conducted through Martin Yale and Master Products.

In 1986, the Company introduced a combination checksigner and bursting machine, which automatically imprints facsimile signatures on payroll checks and then separates each check for distribution. The Company also further diversified its office equipment product lines by its August 1988 purchase of the business machine division assets of Swingline, Inc. consisting primarily of a line of forms handling equipment including decollators, bursters and checksigners and a line of shredders and other products, by its 1994 purchase of certain assets of Data-Link Corporation consisting primarily of products which apply postage and other stamps, by its 1997 purchase of Master Products, a manufacturer of paper punches and catalog rack systems, by its 1998 purchase of certain assets of Steele Industries consisting primarily of its line of business card slitters and thermography machines and by its 1999 purchase of certain assets of Mead Hatcher consisting of keyboard drawers, computer storage, copyholders, media retention systems and posting trays.

Escalade produces and sells office and graphic arts products under the Martin Yale brand name, the Premier(R) trademark and the Master Products brand name. The Company also manufactures various office and graphic arts products under private label for original equipment manufacturers. Three customers individually accounted for more than 10% of Escalade's office and graphic arts products sales but not more than 10% of consolidated sales.

RELATIONSHIP WITH SEARS

The Company has supplied sporting goods to Sears for over 30 years beginning with sales of archery equipment by Indian to Sears. Sears currently purchases for resale a wide variety of Escalade's sporting goods. Sales to Sears accounted for approximately 31% in 2000, 28% in 1999 and 25% in 1998 of Escalade's consolidated sales. Even though the Company has no long-term contracts with Sears, the Company believes that sales to Sears will continue and that relations with Sears are good.

Escalade has been awarded the coveted Sears "Partners in Progress Award" for 2000 and has been recognized by Sears for its outstanding service in 12 of the last 15 years and in 22 of the last 28 years. Sears has awarded Escalade the Sears "Partners in Progress Award" during those years based upon quality, service and product innovation. Sears makes this award to less than 80 suppliers each year. During this period, Sears had more than 10,000 suppliers. In 1987, Sears further recognized the Company by awarding Escalade the Sears 1986 "Source of the Year Award" in the recreation-automotive group.

MARKETING AND PRODUCT DEVELOPMENT

Escalade has developed its existing product lines to adapt to changing conditions. Escalade believes that it is prepared to react to changing market and economic developments primarily by continuing the quality/price structure of the Company's product lines and by conducting ongoing research and development of new products. Escalade is committed to being customer focused.

For many of its sporting goods products, Escalade offers its customers a choice, based on quality and price, of its line of "good, better and best" items. Such products are priced in relation to their quality which enables the Company to sell its goods through a variety of department stores, mass merchandisers, wholesale clubs, catalog showrooms, discount houses, general sporting goods stores, specialty sporting goods stores and hardware chains. As a result of such quality/price structure, Escalade is able to meet the quality/price objectives of the consumers served by such retail channels.

Escalade sells its office and graphic arts products through office machine dealers, office supply houses and office product catalogs. Certain of Escalade's office products, such as paper trimmers and paper folders, are marketed in a quality/price range designed to accommodate customer needs. Lower cost items are generally intended for light duty office applications, whereas higher cost items are more rugged or more sophisticated, and are intended for use in heavy duty or commercial applications.

Escalade conducts much of its marketing efforts through a network of independent sales representatives in the office and graphic arts industries. Marketing efforts in the sporting goods business are coordinated through a marketing department as well as through a network of Company and independent sales representatives.

The Company engaged in ongoing research and development activities for new products in each of its business segments. Escalade spent approximately $1,700,000 in 2000, $1,450,000 in 1999 and $1,500,000 in 1998 for research and development activities.

COMPETITION

Escalade is subject to competition with various manufacturers of each product line produced or sold by Escalade. The Company is not aware of any other single company that is engaged in both the same industries as Escalade or that produces the same range of products as Escalade within such industries. Nonetheless, competition exists for many Escalade products within both the sporting goods and office and graphic arts industries and some competitors are larger and have substantially greater resources than the Company. Escalade believes that its long-term success depends on its ability to strengthen its relationship with existing customers, to attract new customers and to develop new products that satisfy the quality and price requirements of sporting goods and office and graphic arts customers.

LICENSES, TRADEMARKS AND BRAND NAMES

Escalade Sports has an agreement and contract with Sweden Table Tennis AB for the exclusive right and license to distribute and produce table tennis equipment under the brand name STIGA for the United States and Canada. Escalade Sports is also the exclusive distributor of Winmau Products and brand names for the United States.

Escalade is the owner of several registered trademarks and brand names. For its sporting goods, the Company holds the Ping-Pong(R), Harvard(R), Accudart(R), and Goaliath(R), registered trademarks and utilizes the Indian Archery(TM), Xi(TM), Goalrilla(TM), Silverback(TM) and Rhino Play(TM) brand names. The Company permits limited uses of the Ping-Pong(R) trademark by other manufacturers pursuant to various licensing agreements. The Company also owns the Premier(R) registered trademark for its office and graphic arts products, in addition to manufacturing such products under the Martin Yale and Master Products brand names.

SEASONALITY

The backlog of unshipped orders by industry segment is shown below at the Company's 2000, 1999 and 1998 fiscal year end. All orders in backlog at year end are generally shipped during the following year. The backlog includes all orders received but not shipped. Escalade's sporting goods business is seasonal and, therefore, the backlog is subject to fluctuations.

YEARS ENDED DECEMBER 30, DECEMBER 25 AND DECEMBER 26	2000	1999	1998
Orders received but not shipped			
Sporting goods	$1,566,800	$1,912,800	$1,266,400
Office and graphic arts products	558,400	632,000	438,000

EMPLOYEES

The Company employs between 625 and 725 employees, consisting of between 250 and 300 people at Indian's Evansville, Indiana facilities, between 100 and 150 at Harvard's National City, California and Tijuana, Mexico facilities, approximately 125 employees at Martin Yale's Wabash, Indiana facilities and approximately 150 at Master Products' Los Angeles, California and Tijuana, Mexico facilities. All hourly rated employees at Evansville are represented by the International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers AFL-CIO, whose contract expires April 27, 2003.

Escalade believes that its employee relations are satisfactory.

SOURCES OF SUPPLIES

Raw materials for Escalade's various product lines consist of wood, particle board, slate, standard grades of steel, steel tubing, plastic vinyl, steel cables, fiberglass and packaging. Escalade relies upon European suppliers for its requirement of billiard balls and slate utilized in the production of home pool tables and upon various Asian manufacturers for certain of its table tennis needs and other items.

The Company believes that these sources will continue to provide adequate supplies as needed. All other materials needed for the Company's various operations are available in adequate quantities from a variety of domestic and foreign sources.

ITEM 2--PROPERTIES

The Company operates the following facilities:

LOCATION	SIZE	LEASED OR OWNED
Evansville, Indiana (1)	346,000 sq. ft.	Owned
National City, California (1)	51,024 sq. ft.	Leased
Tijuana, Mexico (1)	50,000 sq. ft.	Owned
Wabash, Indiana (2)	141,000 sq. ft.	Owned
Los Angeles, California (2)	72,312 sq. ft.	Owned
Tijuana, Mexico (2)	15,000 sq. ft.	Leased

(1) Sporting goods facilities
(2) Office products facilities

The Company leases warehousing and office space at its National City, California facilities and the term of the lease is five years. The lease rate ranges from $223,736 in year one to $272,971 in year five. The Company also shares in common area expenses not to exceed 8(cent) per sq. ft. per month. The lease expires January 31, 2006.

The Company's Wabash facilities are held subject to a mortgage financed by Economic Development Revenue Bonds. The 141,000 square foot facility is a pre-engineered metal building supported by structured steel and concrete block consisting of 21,000 square feet warehousing, 6,000 square feet office and 114,000 square feet manufacturing.

The Company also leases warehousing space next to its Evansville facility for $18,142 per month. The lease expires on October 31, 2002. The Company has two two-year renewal options followed by two five-year renewal options.

The Company leases space in Tijuana, Mexico for its office products operations for $67,128 per year. The lease expires on July 31, 2002.

The Company rents additional space in Tijuana, Mexico for its sporting goods operations for $45,802 per year. The lease term is month-to-month.

The Company believes that its facilities are in excellent condition and suitable for their respective operations. The Evansville, Wabash and Tijuana sites also contain several undeveloped acres which could be utilized for expansion.

The Company believes that all of its facilities are in compliance with applicable environment regulations and is not subject to any proceeding by any federal, state or local authorities regarding such matter. The Company provides regular maintenance and service on its plants and machinery as required.

ITEM 3--LEGAL PROCEEDINGS

The Company is involved in litigation arising in the normal course of its business. The Company does not believe that the disposition or ultimate resolution of such claims or lawsuits will have a material adverse affect on the business or financial condition of the Company.

ITEM 4--SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5--MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock is traded under the symbol "ESCA" on the Nasdaq National Market. The following table sets forth, for the calendar periods indicated, the high and low sales prices of the Common Stock as reported by the Nasdaq National Market:

PRICES	HIGH	LOW
2000		
First quarter ended March 18, 2000	$17.75	$ 9.75
Second quarter ended July 8, 2000	18.25	14.94
Third quarter ended September 30, 2000	20.31	17.13
Fourth quarter ended December 30, 2000	24.75	18.63
1999		
First quarter ended March 20, 1999	$21.00	$17.00
Second quarter ended July 10, 1999	18.00	14.75
Third quarter ended October 2, 1999	18.38	15.63
Fourth quarter ended December 25, 1999	17.63	13.56

The closing market price on March 2, 2001 was $21.56 per share.

On February 24, 2000, the Company announced an offer to purchase up to 700,000 shares of its common stock at a price of $14.50 to $18 per share through a Dutch Auction tender offer. Pursuant to such offer, the Company purchased 758,312 shares of its common stock at $18.00 per share.

In the fourth quarter of 1998, on December 21, 1998, the Company announced that Escalade's Board of Directors declared a special cash dividend of $1.00 per share to shareholders of record January 8, 1999. The dividend was declared at Escalade's Regular Board Meeting, December 19, 1998. The dividend was paid on January 22, 1999.

There were approximately 280 holders of record of the Company's Common Stock at March 2, 2001. The approximate number of stockholders, including those held by depository companies for certain beneficial owners, was 730.

ITEM 6--SELECTED FINANCIAL DATA (In thousands, except per share data)

DECEMBER 30,	December 25,	December 26,	December 27,	December 28,

AT AND FOR YEARS ENDED	2000	1999	1998	1997	1996
INCOME STATEMENT DATA					
Net sales					
Sporting goods	$79,948	$52,767	$63,072	$66,666	$74,077
Office and graphic arts products	36,133	33,407	30,486	24,836	19,132
Total net sales	116,081	86,174	93,558	91,502	93,209
Net income	8,100	6,100	6,136	6,361	5,247
Weighted-average shares	2,361	3,038	3,095	3,110	3,850
PER SHARE DATA					
Basic earnings per share	$3.43	$2.01	$1.98	$2.05	$1.36
Cash dividends	0	0	1.00	0	0
BALANCE SHEET DATA					
Working capital	12,485	14,899	15,763	15,478	13,309
Total assets	69,476	66,850	63,489	66,145	54,430
Short-term bank debt	13,267	11,570	10,100	14,075	13,675
Long-term bank debt	12,700	10,700	6,400	10,700	5,500
Total stockholders' equity	23,960	29,438	26,702	23,501	19,305

ITEM 7--MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

2000 COMPARED TO 1999

In 2000, net sales increased 34.7%, or $29,907,000 to $116,081,000 from $86,174,000 in 1999.

Sporting goods net sales increased by $27,181,000, or 51.5% from $52,767,000 to $79,948,000. 79% of this increase was in game parlor which includes table tennis, pool and game tables and accessories and was due to an increase in units sold. 21% was in high quality basketball systems from the Zue Corporation acquisition.

Office and graphic arts products net sales increased by $2,726,000, or 8.2% to $36,133,000 from $33,407,000. Most of this increase was due to the Mead Hatcher acquisition.

Cost of sales of $79,320,000 as a percentage of net sales was 68.3% in 2000 as compared to $60,038,000, or 69.7% in 1999. This decrease in cost of sales was in sporting goods and office and graphic arts products and was due to lower factory expense as a percentage of net sales.

Selling, administrative and general expenses in 2000 were $20,253,000, or 17.5% of net sales as compared to $15,524,000, or 18% in 1999. This decrease in selling, general and administrative expense as a percentage of net sales was in the office and graphic arts products segment and was due to the higher sales volume.

Interest expense in 2000 was $2,092,000 as compared to $616,000 in 1999, an increase of $1,476,000, or 239.6%. This increase in interest expense was due to higher borrowing levels and higher interest rates.

The income tax provision for 2000 was $5,174,000 for an effective rate of 39%.

Net income for the year was $8,100,000 as compared to $6,100,000 in 1999. Both segments net income was up over $1,400,000 in 2000 which was offset by increased interest expense at corporate for a net increase of $2,000,000.

ITEM 7--MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

1999 COMPARED TO 1998

In 1999, net sales decreased 7.9%, or $7,384,000 to $86,174,000 from $93,558,000 in 1998.

Sporting goods net sales decreased by $10,305,000, or 16.3% from $63,072,000 to $52,767,000. 72% of this decrease was mainly in game parlor which includes table tennis, pool and game tables and accessories and was due to a decrease in units sold. 28% was due to the disposal of Escalade International, Limited.

Office and graphic arts products net sales increased by $2,921,000, or 9.6% to $33,407,000 from $30,486,000. Most of this increase was due to the Mead Hatcher acquisition on June 21, 1999.

Cost of sales of $60,038,000 as a percentage of net sales was 69.7% in 1999 as compared to $62,626,000, or 66.9% in 1998. This increase in cost of sales was in sporting goods and was mainly due to lower sales volume reducing factory expense absorption and some product labeling and warranty issues.

Selling, administrative and general expenses in 1999 were $15,524,000, or 18% of net sales as compared to $17,041,000, or 18.2% in 1998. Decreases in selling, general and administrative expenses in the sporting goods segment were offset by increases in the office and graphic arts machines and equipment segment. These increases were due to Y2K expenses and catalog allowances.

Interest expense in 1999 was $616,000 as compared to $1,118,000 in 1998, a decrease of $502,000, or 55.1%. This decrease in interest expense was due to lower borrowing levels in 1999.

The income tax provision for 1999 was $3,542,525 for an effective rate of 36.7%.

Net income for the year was $6,100,000 as compared to $6,136,000 in 1998. Lower operating profit in 1999 was offset by lower interest expense, no loss on terminated sporting goods sale and a small gain as opposed to a loss on disposal of Escalade International as compared to 1998. Consequently, the net income levels are similar in both years.

LIQUIDITY AND CAPITAL RESOURCES

OPERATING ACTIVITIES
The Company's net cash provided by operating activities was $11,533,587, $14,908,085 and $8,575,091 in 2000, 1999 and 1998. Inventory management provided (used) cash of $(3,156,221), $1,655,781 and $(10,009) in 2000, 1999 and 1998. Accounts receivable provided (used) cash of $(1,775,023), $5,971,315 and $(561,035) in 2000, 1999 and 1998.

INVESTING ACTIVITIES
The Company's net cash used by investing activities was $2,266,008, $12,816,722 and $1,399,086 in 2000, 1999 and 1998. The Company used $915,667, $1,104,897 and $1,067,546 in 2000, 1999 and 1998 to purchase property and equipment. In 1999, the Company used $7,969,672 to purchase certain assets of Zue Corporation and $3,481,170 to purchase certain assets of Mead Hatcher. In 2000, the Company used $1,400,000 to purchase certain assets of Lifetime Products.

FINANCING ACTIVITIES
Net cash used by financing activities in 2000, 1999 and 1998 was $9,876,849, $675,720 and $8,082,003. In 1998, the Company paid $7,800,000 on long-term debt. At year end, the short-term debt had decreased $475,000 from 1997. In 1999, the Company paid $6,000,000 on long-term debt and borrowed $10,000,000 additional long-term debt for acquisitions. In 2000, the Company paid $10,500,000 and borrowed $10,500,000 of long-term debt and also used $13,687,908 to purchase its common stock.

The Company's working capital requirements are funded by cash flow from operations and a revolving line of credit. The maximum amount that could be drawn under its revolving line of credit at year end was $30,000,000, of which $13,267,135 was used.

The Company declared no cash dividends during 1999 and 2000. On December 21, 1998, the Company announced that Escalade's Board of Directors declared a special cash dividend of $1.00 per share to shareholders of record January 8, 1999. The dividend was declared at Escalade's Regular Board Meeting, December 19, 1998 and was paid on January 22, 1999.

EFFECT OF INFLATION

The Company cannot accurately determine the precise effects of inflation; however, there were some increases in sales and costs due to inflation in 2000. The Company attempts to pass on increased costs and expenses through price increases when necessary. The Company is working on reducing expense levels, improving manufacturing technologies and redesigning products to keep these costs under control.

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements relating to present or future trends or factors that are subject to risks and uncertainties. Escalade's future financial performance could differ materially from the expectations of management contained herein. Escalade undertakes no obligation to release revisions to these forward-looking statements after the date of this report.

ITEM 7. A.--QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

None.

ITEM 8--FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data required by Item 8 are set forth in Part IV, Item 14.

ITEM 9--CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10--DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information required under this item with respect to Directors and Executive Officers is contained in the registrant's Proxy Statement relating to its annual meeting of stockholders scheduled to be held on April 28, 2001 under the captions "Certain Beneficial Owners" and "Election of Directors" and is incorporated herein by reference.

ITEM 11--EXECUTIVE COMPENSATION

Information required under this item is contained in the registrant's Proxy Statement relating to its annual meeting of stockholders scheduled to be held on April 28, 2001 under the caption "Executive Compensation" and is incorporated herein by reference, except that the information required by Items 402(k) and (l) of Regulation S-K which appear within such caption under the sub-headings "Compensation and Stock Option Committees", "Report of Audit Committee" and "Financial Performance" are specifically not incorporated by reference into this Form 10-K or into any other filing by the registrant under the Securities Act of 1933 or the Securities Exchange Act of 1934.

ITEM 12--SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information required under this item is contained in the Registrant's Proxy Statement relating to its annual meeting of stockholders scheduled to be held on April 28, 2001 under the caption "Certain Beneficial Owners" and is incorporated herein by reference.

ITEM 13--CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

ITEM 14--EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(A) Documents filed as a part of this report:

(1) FINANCIAL STATEMENTS

Independent Auditor's Report
Consolidated financial statements of Escalade, Incorporated and subsidiaries:
Consolidated balance sheet--December 30, 2000 and December 25, 1999
Consolidated statement of income--fiscal years ended December 30, 2000, December 25, 1999 and December 26, 1998
Consolidated statement of stockholders' equity--fiscal years ended December 30 2000, December 25, 1999 and December 26, 1998

Consolidated statement of cash flows--fiscal years ended December 30, 2000, December 25, 1999 and December 26, 1998

Notes to consolidated financial statements

(2) FINANCIAL STATEMENT SCHEDULES

Independent Auditor's Report on financial statement schedule
For the three-year period ended December 30, 2000:

Schedule II--Valuation and qualifying accounts
All other schedules are omitted because of the absence of conditions under which they are required or because the required information is given in the consolidated financial statements or notes thereto.

(3) EXHIBITS

3.1 Articles of incorporation of Escalade, Incorporated (a)
3.2 By-Laws of Escalade, Incorporated (a)
4.1 Form of Escalade, Incorporated's common stock certificate (a)
10.1 Licensing agreement between Sweden Table Tennis AB and Indian Industries, Inc. dated January 1, 1995 (d)
10.2 Federal trademark registration 283,766 for Ping-Pong(R) bats and rackets (a)
10.3 Federal trademark registration 283,767 for Ping-Pong(R) balls (a)
10.4 Federal trademark registration 294,408 for Ping-Pong(R) tables and parts (a)
10.5 Federal trademark registration 520,270 for Ping-Pong(R) game (a)
10.6 Federal trademark registration 1,003,289 for Mr. Table Tennis(R) table tennis equipment (a)
10.7 Federal trademark registration 1,187,832 for Harvard(R)table tennis equipment (a)
10.8 Federal trademark registration 1,442,274 for Mini Court(R)(a)
10.9 Federal trademark registration 1,292,167 for Premier(R)table tennis tables and accessories (a)
10.10 Federal trademark registration 1,456,647 for Mini Pool(R)(a)

(3) EXHIBITS (continued)

10.11 Trademark Assignment--Federal trademark registration 1,348,890 for Sandmar(R)office machines (b)

10.12 Agreement dated May 1, 2000 between Indian Industries, Inc. d/b/a Escalade Sports and International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO, and Local 848 (k)

10.13 Tenth Amendment to Credit Agreement dated May 31, 1996 between Escalade, Incorporated and Bank One, Indianapolis, National Association dated May 15, 2000 (k)

10.14 Credit Agreement dated as of May 15, 2000 by and between Indian-Martin AG and Bank One, Indiana, National Association (excluding exhibits and schedules not deemed to be material (k)

10.15 Revolving Note dated as of May 15, 2000 in principal amount of $30,000,000 executed by Indian-Martin AG in favor of Bank One, Indiana, National Association (k)

10.16 Pledge Agreement dated as of May 15, 2000 by Indian-Martin AG in favor of Bank One, Indiana, National Association (k)

10.17 Collateral Agreement and Security Agreement dated as of May 15, 2000 by Indian-Martin AG in favor of Bank One, Indiana, National Association (k)

10.18 Receivables Purchase Agreement dated as of May 15, 2000 between Indian-Martin AG and Indian Industries, Inc. Substantially similar Receivables Purchase Agreements were also entered into by each of the Registrant's other domestic operating subsidiaries, Harvard Sports, Inc., Martin Yale Industries, Inc. and Master Products Manufacturing Company, Inc., with Indian-Martin AG (k)

10.19 Services Agreement dated as of May 15, 2000 between Indian-Martin AG and Indian Industries, Inc. Substantially similar Services Agreements were also entered into by each of the Registrant's other domestic operating subsidiaries, Harvard Sports, Inc., Martin Yale Industries, Inc. and Master Products Manufacturing Company, Inc., with Indian-Martin AG (k)

10.20 Subordinated Promissory Note dated as of May 15, 2000 in principal amount of $5,086,501 executed by Indian Industries, Inc. in favor of Indian-Martin AG. Substantially similar Subordinated Promissory Notes were also entered into by each of the Registrant's other domestic operating subsidiaries, Harvard Sports, Inc., Martin Yale Industries, Inc. and Master Products Manufacturing Company, Inc., with Indian-Martin AG in the respective principal amounts of $1,343,202, $3,130,191 and $3,593,149 (k)

10.21 Standby and Subordination Agreement dated as of May 15, 2000 among Bank One, Indiana, National Association, Indian-Martin AG and Indian Industries, Inc. Substantially similar Standby and Subordination Agreements were also entered into by each of the Registrant's other domestic operating subsidiaries, Harvard Sports, Inc., Martin Yale Industries, Inc. and Master Products Manufacturing Company, Inc. with Indian-Martin AG and Bank One, Indiana, National Association (k)

10.22 Promissory Note dated as of May 15, 2000 in principal amount of $13,153,045 executed by Escalade, Incorporated in favor of Indian-Martin AG (k)

10.23 Escalade Subordination Agreement dated as of May 15, 2000 between Escalade, Incorporated and Bank One, Indiana, National Association (k)

10.24 Offset Waiver Agreement dated as of May 15, 2000 among Escalade, Incorporated and Bank One, Indiana, National Association, Indian-Martin AG, Indian Industries, Inc., Harvard Sports, Inc., Martin Yale Industries, Inc. and Master Products Manufacturing Company, Inc. (k)

10.25 Loan Agreement dated September 1, 1998 between Martin Yale Industries, Inc. and City of Wabash, Indiana (g)

(3) EXHIBITS (continued)

10.26 Trust Indenture between the City of Wabash, Indiana and Bank One Trust Company, NA as Trustee dated September 1, 1998 relating to the Adjustable Rate Economic Development Revenue Refunding Bonds, Series 1998 (Martin Yale Industries, Inc. Project) (g)

10.27 Real Estate Sales Contract dated September 17, 1990 between Martin Yale Industries, Inc. and Fritkin-Jones Design Group, Inc. (c)

EXECUTIVE COMPENSATION PLANS AND ARRANGEMENTS

10.28 The Harvard Sports/Indian Industries, Inc. 401(k) Plan as amended and merged in 1993 (d)

10.29 Martin Yale Industries, Inc. 401(k) Retirement Plan as amended in 1993 (d)

10.30 Incentive Compensation Plan for Escalade, Incorporated and its subsidiaries (a)

10.31 Example of contributory deferred compensation agreement between Escalade, Incorporated and certain management employees allowing for deferral of compensation (a)

10.32 1997 Director Stock Compensation and Option Plan (f)

10.33 1997 Incentive Stock Option Plan (f)

************* 21 Subsidiaries of the Registrant

************* 23 Consent of Olive LLP

(a) Incorporated by reference from the Company's Form S-2 Registration Statement, File No. 33-16279, as declared effective by the Securities and Exchange Commission on September 2, 1987

(b) Incorporated by reference from the Company's 1988 Annual Report on Form 10-K

(c) Incorporated by reference from the Company's 1990 Annual Report on Form 10-K

(d) Incorporated by reference from the Company's 1995 Annual Report on Form 10-K
(e) Incorporated by reference from the Company's 1997 Second Quarter Report on Form 10-Q
(f) Incorporated by reference from the Company's 1997 Proxy Statement
(g) Incorporated by reference from the Company's 1998 Third Quarter Report on Form 10-Q
(h) Incorporated by reference from the Company's 1998 Form 8-K filed July 8, 1998
(i) Incorporated by reference from the Company's 1998 Amended Form 8-K filed December 1, 1998
(j) Incorporated by reference from the Company's Schedule TO Tender Offer Statement filed February 24, 2000
(k) Incorporated references from the Company's 2000 Second Quarter Report of Form 10-Q

(B) No reports on Form 8-K for the fourth quarter ended December 30, 2000 were required to be filed.

OLIVE

INDEPENDENT AUDITOR'S REPORT

To the Stockholders and Board of Directors
Escalade, Incorporated
Evansville, Indiana

We have audited the accompanying consolidated balance sheet of Escalade, Incorporated and subsidiaries as of December 30, 2000 and December 25, 1999 and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 30, 2000. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Escalade, Incorporated and subsidiaries at December 30, 2000 and December 25, 1999 and the results of their operations and their cash flows for each of the three years in the period ended December 30, 2000 in conformity with generally accepted accounting principles.

OLIVE LLP

Evansville, Indiana
February 2, 2001

ESCALADE, INCORPORATED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

DECEMBER 30 AND DECEMBER 25	2000	1999
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,146,771	$ 1,756,041
Receivables, less allowances of $611,052 and 761,363	26,406,471	24,772,584
Inventories	15,588,575	12,432,354
Prepaid expenses	136,853	126,305

Deferred income tax benefit	824,095	1,248,270
Total current assets	44,102,765	40,335,554
Property, plant and equipment	9,055,992	9,390,022
Other assets	5,417,956	5,395,678
Goodwill, net of accumulated amortization of $1,914,305 and $1,084,630	10,899,032	11,728,707
	$69,475,745	$66,849,961
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes payable--bank	$13,267,135	$ 9,569,672
Current portion of long-term debt		2,000,000
Trade accounts payable	2,093,151	2,967,276
Accrued liabilities	14,281,958	9,590,171
Income tax payable	1,975,352	1,309,493
Total current liabilities	31,617,596	25,436,612
Other liabilities		
Long-term debt	12,700,000	10,700,000
Deferred compensation	1,198,125	1,275,345
	13,898,125	11,975,345
Stockholders' equity		
Preferred stock		
Authorized--1,000,000 shares, no par value, none issued		
Common stock		
Authorized--10,000,000 shares, no par value		
Issued and outstanding--2,165,862 and 2,918,178 shares	2,165,862	2,918,178
Retained earnings	21,597,413	26,318,825
Accumulated other comprehensive income	196,749	201,001
	23,960,024	29,438,004
	$69,475,745	$66,849,961

See notes to consolidated financial statements.

ESCALADE, INCORPORATED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

YEARS ENDED DECEMBER 30, DECEMBER 25 AND DECEMBER 26	2000	1999	1998
Net Sales	$116,081,388	$86,174,390	$93,557,971
Costs, Expenses and Other Income			
Cost of products sold	79,319,747	60,037,740	62,626,061
Selling, administrative and general expenses	20,253,094	15,524,377	17,041,492
Loss on terminated sporting goods sale			427,315
Amortization of goodwill	829,675	469,121	398,286
Interest	2,092,438	615,564	1,117,851
Loss on disposal of assets	25,651	64,287	207,687
Other (income) expense	286,479	(75,773)	(410,252)
(Gain) loss on disposal of Escalade International		(103,387)	1,222,279
	102,807,084	76,531,929	82,630,719
Income Before Income Taxes	13,274,304	9,642,461	10,927,252
Provision for Income Taxes	5,173,720	3,542,525	4,791,463
NET INCOME	$ 8,100,584	$ 6,099,936	$ 6,135,789
Per Share Data			
Basic earnings per share	$3.43	$2.01	$1.98
Diluted earnings per share	$3.42	$2.00	$1.97

See notes to consolidated financial statements.

ESCALADE, INCORPORATED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	COMPREHENSIVE INCOME	RETAINED EARNINGS	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL
BALANCES AT DECEMBER 28, 1997	3,050,691	$5,879,827		$17,373,846	$246,992	$23,500,665
Comprehensive income						
Net income			$6,135,789	6,135,789		6,135,789
Unrealized losses on securities, net of tax			(5,567)		(5,567)	(5,567)
Comprehensive income			$6,130,222			
Stock issued under the Director Stock Option Plan	6,638	65,550				65,550
Exercise of stock options	51,279	341,216				341,216
Purchase of stock	(11,251)	(213,769)				(213,769)
Payment of dividend				(3,121,718)		(3,121,718)
BALANCES AT DECEMBER 26, 1998	3,097,357	6,072,824		20,387,917	241,425	26,702,166
Comprehensive income						
Net income			$6,099,936	6,099,936		6,099,936
Unrealized losses on securities, net of tax			(40,424)		(40,424)	(40,424)
Comprehensive income			$6,059,512			
Exercise of stock options	25,768	189,958				189,958
Stock issued under the Director Stock Option Plan	4,256	89,376				89,376
Purchase of stock	(209,203)	(3,433,980)		(169,028)		(3,603,008)
BALANCES AT DECEMBER 25, 1999	2,918,178	2,918,178		26,318,825	201,001	29,438,004
Comprehensive income						
Net income			$8,100,584	8,100,584		8,100,584
Unrealized losses on securities, net of tax			(4,252)		(4,252)	(4,252)
Comprehensive income			$8,096,332			
Exercise of stock options	1,743	1,743		15,469		17,212
Stock issued under the Director Stock Option Plan	6,144	6,144		90,240		96,384
Purchase of stock	(760,203)	(760,203)		(12,927,705)		(13,687,908)
BALANCES AT DECEMBER 30, 2000	2,165,862	$2,165,862		$21,597,413	$196,749	$23,960,024

See notes to consolidated financial statements.

ESCALADE, INCORPORATED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 30, DECEMBER 25 AND DECEMBER 26	2000	1999	1998
OPERATING ACTIVITIES			
Net income	$ 8,100,584	$ 6,099,936	$6,135,789
Adjustments to reconcile net income to net cash provided by operating activities			

Depreciation and amortization	3,178,721	2,757,986	2,796,004
Provision for doubtful accounts	141,136	577,150	371,672
Deferred income taxes	(285,590)	(591,379)	(153,633)
Provision for deferred compensation	109,972	109,376	99,996
Deferred compensation paid	(187,192)		
Loss on disposals of assets	25,651	64,287	207,687
Changes in			
Accounts receivable	(1,775,023)	5,971,315	(561,035)
Inventories	(3,156,221)	1,655,781	(10,009)
Prepaids	(10,548)	3,430	106,765
Other assets	933,576	(377,312)	33,362
Income tax payable	665,859	(14,923)	(225,584)
Accounts payable and accrued expenses	3,792,662	(1,347,562)	(225,923)
Net cash provided by operating activities	11,533,587	14,908,085	8,575,091
INVESTING ACTIVITIES			
Premiums paid for life insurance	(150,000)	(150,000)	(297,000)
Change in cash surrender value, net of loans and premiums	267,129	(36,186)	30,510
Purchase of property and equipment	(915,667)	(1,104,897)	(1,067,596)
Purchase of long-term investments	(67,470)	(74,797)	(65,000)
Purchase of certain Lifetime Products assets	(1,400,000)		
Purchase of certain Zue Corporation assets		(7,969,672)	
Purchase of certain Mead Hatcher assets		(3,481,170)	
Net cash used by investing activities	(2,266,008)	(12,816,722)	(1,399,086)
FINANCING ACTIVITIES			
Net increase (decrease) in notes payable--bank	3,697,463	1,769,672	(475,000)
Proceeds from exercise of stock options	113,596	279,334	406,766
Reduction of long-term debt	(10,500,000)	(6,000,000)	(7,800,000)
Purchase of stock	(13,687,908)	(3,603,008)	(213,769)
Proceeds from long-term debt	10,500,000	10,000,000	
Cash dividends paid		(3,121,718)	
Net cash used by financing activities	(9,876,849)	(675,720)	(8,082,003)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(609,270)	1,415,643	(905,998)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,756,041	340,398	1,246,396
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,146,771	$ 1,756,041	$ 340,398
SUPPLEMENTAL CASH FLOWS INFORMATION			
Interest paid	$ 2,067,494	$ 627,904	$1,120,229
Income taxes paid, net	3,190,000	4,256,320	4,775,283
Fixed assets in accounts payable	25,000		31,954

See notes to consolidated financial statements.

ESCALADE, INCORPORATED AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 -- NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS
Escalade, Incorporated (Company) is primarily engaged in the manufacture and sale of sporting goods and office and graphic arts products. The Company is located in Evansville, Indiana and has five manufacturing facilities, one in Evansville, Indiana; Wabash, Indiana and Los Angeles, California and two in Tijuana, Mexico. The Company sells products to customers throughout the United States and provides foreign shipments of sporting goods through a foreign sales corporation. The consolidated financial statements include the accounts of all significant subsidiaries. Intercompany transactions have been eliminated.

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

CASH AND CASH EQUIVALENTS
Cash and cash equivalents consist of bank deposits in federally insured accounts.

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments; if any, purchased with an original maturity of three months or less to be cash equivalents.

INVENTORIES
Inventories are valued at the lower of cost or market. Cost is based on the first-in, first-out (FIFO) method.

INVESTMENTS
The Company has long-term marketable equity securities, which are included in other assets on the consolidated balance sheet and are recorded at fair value with unrealized gains and losses reported, net of tax, in accumulated other comprehensive income.

PROPERTY, PLANT AND EQUIPMENT
Property, plant and equipment are recorded at cost. Depreciation and amortization are computed by the straight-line and double declining balance methods.

The estimated useful lives used in computing depreciation are as follows:

	YEARS
Buildings	20-30
Leasehold improvements	4-8
Machinery and equipment	5-15
Tooling, dies and molds	2-4

The cost of maintenance and repairs are charged to income as incurred; significant renewals and improvements are capitalized. When assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts, and the resulting gains or losses are recognized in income for the period.

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS
The carrying values of all of the Company's financial instruments approximate their fair values.

EARNINGS PER SHARE
Earnings per share have been computed based upon the weighted average-common shares outstanding during each year.

FISCAL YEAR END
The Company's fiscal year ends on the Saturday nearest December 31, within the calendar year.

BAD DEBTS
The Company uses the reserve method of accounting for bad debts on receivables.

PRODUCT WARRANTY
The Company provides for the estimated cost of its warranty obligations at the time of the sale.

EMPLOYEE BENEFITS
The Company has an employee profit-sharing salary reduction plan, pursuant to the provisions of Section 401(k) of the Internal Revenue Code, for non-union employees. It is the Company's policy to fund costs accrued on a current basis.

INCOME TAXES
Income tax in the consolidated statement of income includes deferred income tax provisions or benefits for all significant temporary differences in recognizing income and expenses for financial reporting and income tax purposes.

RESEARCH AND DEVELOPMENT
Research and development costs are charged to expense as incurred. The research and development costs incurred during 2000, 1999 and 1998 were approximately $1,700,000, $1,450,000 and $1,500,000.

INTANGIBLE ASSETS
The Company has various intangible assets including consulting and noncompetition agreements and goodwill. Amortization is computed using the straight-line method over the following lives:

	YEARS
Consulting agreements	1
Non-compete agreements	5
Goodwill	15

REVENUE RECOGNITION
Revenue from the sale of the Company's products is recognized as products are shipped to customers.

SELF INSURANCE
The Company has elected to act as a self-insurer for certain costs related to employee health and accident benefit programs. Costs resulting from non-insured losses are charged to income when incurred. The Company has purchased insurance which limits its exposure for individual claims and which limits its aggregate exposure to $1,100,000.

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

NOTE 2 -- INVENTORIES

Inventories consist of the following:

DECEMBER 30 AND DECEMBER 25	2000	1999
Finished products	$ 6,970,249	$ 5,184,896
Work in process	3,747,427	3,183,855
Raw materials and supplies	4,870,899	4,063,603
	$15,588,575	$12,432,354

NOTE 3 -- PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

DECEMBER 30 AND DECEMBER 25	2000	1999
Land	$ 712,705	$ 712,705
Buildings and leasehold improvements	10,381,117	10,387,479
Machinery and equipment	23,039,234	22,416,055
Total cost	34,133,056	33,516,239
Accumulated depreciation and amortization	(25,077,064)	(24,126,217)
	$ 9,055,992	$ 9,390,022

NOTE 4 -- LINE OF CREDIT

The Company's directly owned subsidiary, Indian-Martin AG, has a revolving line of credit under which it will borrow funds from time to time to purchase eligible accounts receivable from Escalade's operating subsidiaries which accounts are and will be pledged to secure those borrowings. At December 30, 2000, this line of credit aggregated $30,000,000, of which $13,267,135 was borrowed. The interest rate on the line of credit is at the Bank One Indianapolis, N.A. prime rate minus 1.25%. A LIBOR option is also available for the interest rate. At December 31, 2000, $12,000,000 of this line of credit was at a LIBOR option rate of 8.15125%.

NOTE 5 -- LONG-TERM DEBT

DECEMBER 30 AND DECEMBER 25	2000	1999
Mortgage payable (Wabash, Indiana Adjustable Rate Economic Development Revenue Refunding Bonds), annual installments are optional, interest varies with short-term rates and is adjustable weekly based on market conditions, maximum rate is 10.00%, current rate is 4.85%, due September 2028, secured by plant facility, machinery and equipment, and letter of credit	$ 2,700,000	$ 2,700,000
Revolving term loan of $20,500,000, the amount available under this revolving term loan shall reduce by $4,100,000 annually starting March 31, 2001. Interest varies from prime to London Interbank Offered Rate (LIBOR) plus 1.50%, unsecured	10,000,000	10,000,000
	12,700,000	12,700,000
Portion classified as current		(2,000,000)
	$12,700,000	$10,700,000

Maturities of long-term indebtedness for the ensuing five years are: 2001, 0; 2002, $0; 2003, $1,800,000; 2004, $4,100,000; 2005, $4,100,000 and thereafter, $2,700,000.

The mortgages payable and term loan agreements contain certain restrictive covenants, of which the more significant include maintenance of specified net worth and maintenance of specified ranges of debt service and leverage ratios.

NOTE 6 -- INVESTMENTS

	AMORTIZED COST	GROSS UNREALIZED GAINS	APPROXIMATE MARKET VALUE
DECEMBER 30, 2000			
Available for sale			
Marketable equity securities (included in other assets)	$1,084,628	$327,915	$1,412,543
DECEMBER 25, 1999			
Available for sale			
Marketable equity securities (included in other assets)	$912,013	$335,001	$1,247,014

NOTE 7 -- STOCK OPTIONS

There were no options outstanding at year end from the 1984 Stock Option Plan (Plan). The date for granting options under this Plan expired on October 26,1994 and the date for exercising options expired on September 26, 1999. At the Company's 1997 annual meeting, the stockholders approved two new Stock Option Plans reserving 300,000 common shares for issuance under an Incentive Stock Option Plan (ISO) and 100,000 common shares for issuance under a Director Stock Option Plan (DSO). During 2000, 1999 and 1998, there were 16,500, 37,000 and 19,250 options granted under the ISO and there were 88,261, 74,786 and 67,131 options outstanding at each respective year end under this plan. During 2000, 1999 and 1998, there were 3,072, 2,128 and 3,319 options granted and 8,026, 5,447 and 3,319 options outstanding at each respective year end under the DSO.

Under the Company's ISO, which is accounted for in accordance with Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations, the Company grants selected executives and other key employees stock option awards which vest over four years of continued employment. The exercise price of each option, which has a five-year life, was equal to the market price of the Company's stock on the date of grant; therefore, no compensation expense was recognized. Options are exercisable commencing one year from the date of issuance to the extent vested.

Although the Company has elected to follow APB Opinion No. 25, Statement of Financial Accounting Standards (SFAS) No. 123 requires pro forma disclosures of net income and earnings per share as if the Company had accounted for its employee stock options under that statement. The fair value of each option grant was estimated on the grant date using an option pricing model with the following assumptions:

	2000	1999	1998
Risk-free interest rates	6.26%	5.00%	4.75%
Dividend yields	0%	0%	0%
Volatility factors of expected market price of common stock	45%	36%	51%
Weighted average expected life of the options	5 YEARS	5 years	5 years

Under SFAS No. 123, compensation cost is recognized in the amount of the estimated fair value of the options and amortized to expense over the options' vesting period. The pro forma effect on net income and earnings per share of this statement is as follows:

		2000	1999	1998
Net income	As reported	$8,100,584	$6,099,936	$6,135,789
	Pro forma	7,963,644	5,982,255	6,076,755
Basic earnings per share	As reported	$3.43	$2.01	$1.98
	Pro forma	3.37	1.97	1.96
Diluted earnings per share	As reported	$3.42	$2.00	$1.97
	Pro forma	3.36	1.97	1.95

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

Stock option transactions are summarized as follows:

	2000		1999		1998	
	SHARES	OPTION PRICE	Shares	Option Price	Shares	Option Price
Outstanding at beginning of year	80,233	$9.88 TO 21.00	70,450	$5.50 to 18.75	101,821	$6.30 to 9.88
Issued during year	19,572	$14.50 TO 15.69	39,128	$17.69 to 21.00	22,569	$9.88 to 18.75
Canceled or expired	(1,650)		(3,577)		(2,661)	
				$5.50 to		$3.26 to

Exercised during year	(1,868)	$9.88	(25,768)	9.88	(51,279)	9.88
		$9.88 TO 21.00		$9.88 to 21.00		$5.50 to 18.75
Outstanding at end of year	96,287		80,233		70,450	
Exercisable at end of year	35,505		16,890		30,297	
Weighted-average fair value of options granted during the year	$7.57		$7.10		$9.83	

The following table summarizes information about fixed stock options outstanding at December 30, 2000:

	OPTIONS OUTSTANDING			OPTIONS EXERCISABLE	
RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING AT 12/30/00	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED-AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE AT 12/30/00	WEIGHTED-AVERAGE EXERCISE PRICE
$ 9.88	20,737	1.6 years	$ 9.88	15,452	$ 9.88
18.75	17,850	2.2	18.75	8,925	18.75
17.69	36,000	3.2	17.69	9,000	17.69
21.00	2,128	2.3	21.00	2,128	21.00
14.50	16,500	4.2	14.50		14.50
15.69	3,072	3.3	15.69		15.69
$9.88 to 21.00	96,287			35,505	

The incentive stock options granted in 2000 and 1999 are exercisable at the rate of 25% over each of the four years beginning in 2001 and 2000.

3,072 Director Stock Options were issued during the year 2000 at an option price of $15.69 and can be exercised after April 29, 2001 with an expiration date of April 28, 2004.

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

NOTE 8 -- STOCKHOLDERS' EQUITY TRANSACTIONS

During 2000, the Company conducted a Dutch Auction self-tender offer whereby it purchased 758,312 shares of its common stock at $18.00 per share.

The Company paid no cash dividends during 1999 and 2000. On December 21, 1998, the Company announced that Escalade's Board of Directors declared a special cash dividend of $1.00 per share to shareholders of record January 8, 1999. The dividend was declared at Escalade's Regular Board Meeting, December 19, 1998. The dividend was paid on January 22, 1999.

NOTE 9 -- EARNINGS PER SHARE

Earnings per share (EPS) were computed as follows:

YEAR ENDED DECEMBER 30, 2000	INCOME	WEIGHTED-AVERAGE SHARES	PER SHARE AMOUNT
Net Income	$8,100,584		
Basic Earnings per Share			
Income available to common stockholders	8,100,584	2,360,904	$3.43
Effect of Dilutive Securities			
Stock options		10,183	

Diluted Earnings Per Share Income available to common stockholders and assumed conversions	$8,100,584	2,371,087	$3.42
YEAR ENDED DECEMBER 25, 1999			
Net Income	$6,099,936		
Basic Earnings per Share Income available to common stockholders	6,099,936	3,038,282	$2.01
Effect of Dilutive Securities Stock options		5,180	
Diluted Earnings Per Share Income available to common stockholders and assumed conversions	$6,099,936	3,043,462	$2.00
YEAR ENDED DECEMBER 26, 1998			
Net Income	$6,135,789		
Basic Earnings per Share Income available to common stockholders	6,135,789	3,094,638	$1.98
Effect of Dilutive Securities Stock options		18,741	
Diluted Earnings Per Share Income available to common stockholders and assumed conversions	$6,135,789	3,113,379	$1.97

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

NOTE 10 -- OPERATING LEASES

The Company leases warehousing and office space at its National City, California facilities and the term of the lease is five years. The lease rate ranges from $223,736 in year one to $272,971 in year five. The Company also shares in common area expenses not to exceed 8(cent) per sq. ft. per month. The lease expires January 31, 2006.

The Company leases warehousing space next to its Evansville facility for $18,142 per month. The lease expires on October 31, 2002. The Company has two two-year renewal options followed by two five-year renewal options.

The Company leases manufacturing space in Tijuana, Mexico for its office products operations for $67,128 per year. The lease expires on July 31, 2002.

The Company leases additional space in Tijuana, Mexico for its sporting goods operations for $45,802 per year. The lease term is month-to-month.

At December 30, 2000, the minimum rental payments under noncancelable leases with terms of more than one year are as follows:

YEARS ENDING	AMOUNT
2001	$ 508,568
2002	447,983
2003	249,440
2004	288,918
2005	272,971
	$1,767,880

The following schedule shows the composition of total rental expense for operating leases except those with terms of a month or less:

	2000	1999	1998

Rentals	$441,601	$448,516	$469,650

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

NOTE 11 -- INCOME TAXES

Provision for income taxes consists of the following:

YEARS ENDED DECEMBER 30, DECEMBER 25 AND

YEARS ENDED DECEMBER 30, DECEMBER 25 AND DECEMBER 26	2000	1999	1998
Current			
Federal	$4,456,013	$3,255,081	$3,888,985
State	855,217	878,823	1,056,111
International	148,080		
	5,459,310	4,133,904	4,945,096
Deferred			
Federal	(226,759)	(497,779)	(121,668)
State	(58,831)	(93,600)	(31,965)
	(285,590)	(591,379)	(153,633)
	$5,173,720	$3,542,525	$4,791,463

The provision for income taxes was computed based on financial statement income. A reconciliation of the provision for income taxes to the amount computed using the statutory rate follows:

YEARS ENDED DECEMBER 30, DECEMBER 25 AND DECEMBER 26	2000	1999	1998
Income tax at statutory rate	$4,513,263	$3,278,437	$3,715,266
Increase (decrease) in income tax resulting from			
Recurring permanent differences (goodwill amortization, dividend exclusion and non-deductible officers' life insurance expense)	188,314	55,662	(76,770)
State tax expense, net of federal effect	525,615	518,247	675,936
Benefit of foreign subsidiary loss not recognized			558,280
International taxes	148,080		
Foreign tax credit	(148,080)		
Other	(53,472)	(309,821)	(81,249)
Provision for income taxes recorded	$5,173,720	$3,542,525	$4,791,463

At December 30, 2000, a cumulative deferred tax asset of $1,806,386 is included in current assets and other assets. At December 25, 1999, a cumulative deferred tax asset of $1,520,796 is included in current assets and other liabilities.

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

The components of the net deferred tax asset are as follows:

DECEMBER 30 AND DECEMBER 25	2000	1999

ASSETS		
Employee benefits	$ 841,765	$ 584,559
Valuation reserves	550,603	681,472
Goodwill and intangible assets	172,903	94,352
Deferred compensation	442,294	480,490
Total assets	2,007,565	1,840,873
LIABILITIES		
Depreciation	(70,012)	(186,076)
Unrealized gain on securities available for sale	(131,167)	(134,001)
Total liabilities	(201,179)	(320,077)
	$1,806,386	$1,520,796

NOTE 12 -- EMPLOYEE BENEFIT PLANS

The Company has an employee profit-sharing salary reduction plan, pursuant to the provisions of Section 401(k) of the Internal Revenue Code, for non-union employees. The Company's contribution is a matching percentage of the employee contribution as determined by the Board of Directors annually. The Company's expense for the plan was $403,235, $273,763 and $316,155 for 2000, 1999 and 1998.

NOTE 13 -- VOLUNTARY EMPLOYEE BENEFITS ASSOCIATION TRUST (VEBA)

The Company established a VEBA as a tax-exempt organization to provide life, medical, disability and other similar welfare benefits permitted pursuant to Internal Revenue Code Section 501(c)(9) for its employees.

NOTE 14 -- SEGMENT INFORMATION AND CONCENTRATIONS

YEARS ENDED DECEMBER 30, DECEMBER 25 AND DECEMBER 26	2000	1999	1998
		(In Thousands)	
Sales to unaffiliated customers			
Sporting goods	$ 79,948	$52,767	$63,072
Office and graphic arts products	36,133	33,407	30,486
Total consolidated	$116,081	$86,174	$93,558
Operating profit			
Sporting goods	$ 8,367	$ 4,200	$ 6,875
Office and graphic arts products	9,450	7,277	7,442
Corporate	(1,309)	(865)	(427)
Total consolidated	16,508	10,612	13,890
Consolidated other income (expense)	(286)	76	410
	16,222	10,688	14,300
Consolidated interest expense	2,092	616	1,118
Consolidated loss on disposal of assets	26	64	208
Consolidated amortization of goodwill	830	469	398
Consolidated loss on terminated sporting goods sale			427
Consolidated (gain) loss on disposal of Escalade International		(103)	1,222
Consolidated income from operations before income taxes	$13,274	$ 9,642	$10,927
Identifiable assets			
Sporting goods	$41,119	$37,208	$39,819
Office and graphic arts products	22,892	23,971	20,770
Corporate	5,465	5,671	2,900
Total assets	$69,476	$66,850	$63,489

Depreciation and amortization charged to operations			
Sporting goods	$ 1,715	$ 1,154	$ 1,207
Office and graphic arts products	1,464	1,604	1,589
Total consolidated	$ 3,179	$ 2,758	$ 2,796
Capital expenditures			
Sporting goods	$ 754	$ 862	$ 699
Office and graphic arts products	187	276	372
	$ 941	$ 1,138	$ 1,071

The Company operates principally in two industries, sporting goods and office and graphic arts products. The Company sells its products primarily to retailers and wholesalers located throughout the United States. Operations in the sporting goods industry consist of production and sale of table tennis tables and accessories, archery equipment, home pool tables and accessories, combination bumper pool and card tables, game tables, basketball backboards, goals, poles and portables, darts and dart cabinets. Operations in the office and graphic arts products industry consist of production and sale of paper trimmers, paper folding machines, paper drills, collators, decollators, bursting machines, letter openers, paper joggers, checksigners, stamp affixers, paper shredders, paper punches, paper cutters, catalog rack systems, bindery carts, business card slitters, thermography machines, keyboard drawers, computer storage, copyholders, media retention systems, posting trays and related accessories.

Operating profit is total revenue less operating expenses. In computing operating profit, neither interest expense nor income taxes have been deducted.

Identifiable assets are principally those assets used in each industry. Corporate assets are principally cash and cash equivalents, deferred taxes, marketable equity securities and the cash surrender value of life insurance.

In 2000, 1999 and 1998, approximately 45% (31% of consolidated sales), 46% (28% of consolidated sales) and 38% (25% of consolidated sales) of the sporting goods were sold to Sears, Roebuck & Co. At December 30, 2000 and December 25, 1999, accounts receivable included $11,323,174 and $9,117,867 due from Sears, Roebuck & Co.

Approximately 30% of the Company's labor force is covered by a collective bargaining agreement. Management acknowledges that there usually will be differences between Company offers and union demands during negotiations. However, management has no reason to expect such differences to result in protracted conflict. The current contract expires on April 27, 2003.

Consolidated assets include approximately $2.4 million of assets located in the United Kingdom and Mexico and $27.7 million of assets located in Switzerland.

NOTE 15 -- CERTAIN SIGNIFICANT ESTIMATES

Management's estimates that influence the financial statements are normally based on knowledge and experience about past and current events and assumptions about future events. The following estimates affecting the financial statements are particularly sensitive because of their significance, and it is at least reasonably possible that a change in these estimates will occur in the near term:

Product warranty reserves--based on an analysis of customers' product return histories, current status, sales volume and management's expectations from new products introduced into the market.

Customer allowance reserves--based on agreements for customer purchase rebates and shared advertising, and prior year's shipments.

Inventory valuation reserves--based on estimates of costs of inventory amounts overstocked or obsolete in excess of realizable value.

NOTE 16 -- ADDITIONAL INFORMATION

DECEMBER 30 AND DECEMBER 25	2000	1999
Accrued Liabilities		
Employees' compensation	$ 4,563,533	$2,478,862
Payroll taxes and taxes withheld from employees' compensation	309,488	191,926
Taxes other than taxes on income	396,674	342,960
Accrued interest	173,694	129,950
Customer volume discounts payable	7,178,735	5,193,302
Other accrued items	1,659,834	1,253,171
	$14,281,958	$9,590,171

NOTE 17 -- DEFERRED COMPENSATION PLAN

In October 1985, the Board of Directors approved the adoption of a Contributory Deferred Compensation Plan pursuant to which some recipients of incentive compensation could elect to defer receipt thereof. For each dollar of deferred compensation, the Company provided a 75% matching amount. Amounts deferred earn interest at the rate of 9%. Such amounts are not intended to be recognized for tax purposes until receipt. All deferrals allowed under this plan have been made. Participants have no vested rights in deferred amounts credited to their accounts and are general creditors of the Company until such amounts are actually paid.

NOTE 18 -- COMMITMENTS AND CONTINGENCIES

At December 30, 2000, standby letters of credit aggregated $50,000.

Additionally, the Company has obtained a letter of credit for the benefit of the mortgage holders. At December 30, 2000, the balance of the letter of credit was $2,733,750. It is to be used in the event of a default in either interest or principal payments.

The Company is involved in litigation arising in the normal course of its business. The Company does not believe that the disposition or ultimate resolution of existing claims or lawsuits will have a material adverse effect on the business or financial condition of the Company.

NOTE 19 -- SUMMARY OF QUARTERLY RESULTS

	(IN THOUSANDS, EXCEPT PER SHARE DATA) (UNAUDITED)			
	MARCH 18	JULY 8	SEPTEMBER 30	DECEMBER 30
2000				
Net sales	$17,575	$24,035	$31,560	$42,911
Gross profit	5,997	8,189	9,478	13,097
Net income	919	1,173	2,359	3,649
Basic earnings per share	.31	.52	1.09	1.68

1999				
Net sales	$12,978	$17,086	$21,296	$34,814
Gross profit	4,085	5,151	6,861	10,039
Net income	434	412	1,723	3,531
Basic earnings per share	.14	.13	.57	1.20

On March 31, 2000, the Company reduced its outstanding shares by 758,312 shares through a Dutch Auction tender offer. Consequently, if the four quarters earnings per share are added together, they are different than the actual earnings per weighted-average share for the year.

During 1999, the Company reduced its outstanding shares by 179,179 shares. These reductions occurred at various times throughout the year. Consequently, if the four quarters earnings per share are added together, they are different than the actual earnings per weighted average share for the year.

NOTE 20 -- DISPOSAL OF ESCALADE INTERNATIONAL, LIMITED

In December 1998, the Company adopted a plan to discontinue its distribution operations. Those operations were performed by Escalade International, Limited, a foreign subsidiary located in the United Kingdom. The Company's other subsidiaries are all manufacturing operations. On July 8, 1999, the Company completed a transaction to sell 50% of the stock of Escalade International to an investment group who assumed responsibility for running the day-to-day operations. The sale was for $500,000 with $50,000 cash paid and notes receivable of $450,000.

The estimated loss on the disposal of Escalade International, Limited was $1,222,279 including a provision of $250,000 for operating losses during phaseout. The actual loss on the sale was $1,118,892 which included $213,057 in operating losses up to the time of sale. 1999 shows a profit of $103,387 which was the amount by which the reserve for loss on this transaction exceeded actual losses. Since only 50% was sold, the operations are not considered discontinued and the financial statements have been revised to eliminate discontinued operations. Going forward, the Company's ownership value in Escalade International will be shown as an investment and will be accounted for under the equity method.

NOTE 21 -- ACQUISITIONS

ACQUISITION OF MEAD HATCHER
On June 21, 1999, Martin Yale, the Company's office and graphic arts products subsidiary, acquired certain assets of Mead Hatcher for cash. The purchased assets include all of Mead Hatcher's manufactured products consisting of keyboard drawers, computer storage, copyholders, media retention systems, and posting trays along with all associated tooling and production machinery necessary to manufacture the products. The purchase price was $3,481,170. The acquisition was accounted for as a purchase and the excess of cost over the fair value of net assets acquired was $1,417,594, which is being amortized over 15 years on the straight-line method. Martin Yale relocated the manufacturing of these products to its Los Angeles, California facility.

ACQUISITION OF ZUE CORPORATION
On December 8, 1999, Indian Industries, the Company's sporting goods subsidiary, acquired substantially all of the assets of Zue Corporation for cash. Zue was a manufacturer of high quality basketball systems located in Noblesville, Indiana. The Zue product line will complement Indian's product line and the manufacturing operations were relocated to Indian's Evansville, Indiana facility. The cost of the purchase was $7,969,672. The acquisition was accounted for as a purchase and the excess of cost over the fair value of net assets acquired was $5,150,172, which is being amortized over 15 years on the straight-line method.

ACQUISITION OF LIFETIME PRODUCTS, INC.
On January 5, 2000, Indian Industries acquired certain assets of the table tennis business of Lifetime Products, Inc., a Utah corporation, who wished to discontinue its table tennis business. Those assets consisted mainly of machinery, equipment and tooling and are being relocated to Indian's Evansville Indiana facility. The cost of the purchase was $1,400,000, which was paid on January 5, 2000.

ESCALADE, INCORPORATED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS

NOTE 22 -- OTHER COMPREHENSIVE INCOME

	2000		
YEAR ENDED DECEMBER 30	BEFORE-TAX AMOUNT	TAX BENEFIT	NET-OF-TAX AMOUNT
Unrealized holding losses arising during the year	$(7,086)	$2,834	$(4,252)

	1999		
YEAR ENDED DECEMBER 25	BEFORE-TAX AMOUNT	TAX BENEFIT	NET-OF-TAX AMOUNT
Unrealized holding losses arising during the year	$(67,374)	$26,950	$(40,424)

	1998		
YEAR ENDED DECEMBER 26	BEFORE-TAX AMOUNT	TAX BENEFIT	NET-OF-TAX AMOUNT
Unrealized holding losses arising during the year	$(9,278)	$3,711	$(5,567)

NOTE 23 -- SUBSEQUENT EVENTS

On February 5, 2001, Escalade Sports acquired substantially all of the assets of Accudart Corporation for cash. The purchased assets included inventory, equipment and intellectual property. Accudart is America's number one name in darts. The cost of the purchase was $1,966,339 and it is estimated that annual sales of these products will be approximately 3% of Escalade's consolidated net sales.

OLIVE

INDEPENDENT AUDITOR'S REPORT

Stockholders and Board of Directors
Escalade, Incorporated
Evansville, Indiana

We have audited the consolidated financial statements of Escalade, Incorporated as of December 30, 2000 and December 25, 1999 and for each of the three years in the period ended December 30, 2000 and have issued our report thereon dated February 2, 2001; such consolidated financial statements and report are included elsewhere in this Form 10-K. Our audits also included the consolidated financial statement schedules of Escalade, Incorporated listed in Item 14. These consolidated financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly in all material respects the information set forth therein.

OLIVE LLP

Evansville, Indiana
February 2, 2001

ESCALADE, INCORPORATED AND SUBSIDIARIES

SCHEDULE II -- VALUATION AND QUALIFYING ACCOUNTS

COL. A	COL. B	COL. C		COL. D	COL. E
		ADDITIONS			
DESCRIPTION	BALANCE AT BEGINNING OF PERIOD	CHARGED TO COSTS AND EXPENSES	CHARGED TO OTHER ACCOUNTS-- DESCRIBE	DEDUCTIONS-- DESCRIBE (2)	BALANCE AT END OF PERIOD
Allowance for doubtful accounts and discounts (1)					
Fiscal year ended December 30, 2000	$761,363	$141,136		$291,447	$611,052
Fiscal year ended December 25, 1999	581,830	577,150		397,617	761,363
Fiscal year ended December 26, 1998	893,434	371,672		683,276	581,830

(1) Deducted from related assets
(2) Accounts charged off, less recoveries

SIGNATURES

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

ESCALADE, INCORPORATED

By: \s\C. W. "Bill" Reed March 9, 2001

C. W. "Bill" Reed
President and Chief Executive Officer

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

\s\C. W. Reed C. W. Reed	Chief Executive Officer and Director (Principal Executive Officer)	March 9, 2001
\s\Robert E. Griffin Robert E. Griffin	Chairman and Director	March 9, 2001
\s\John R. Wilson John R. Wilson	Secretary and Treasurer (Principal Financial and Accounting Officer)	March 9, 2001
\s\Blaine E. Matthews, Jr. Blaine E. Matthews, Jr.	Director	March 9, 2001
\s\A. Graves Williams, Jr.	Director	March 9, 2001

A. Graves Williams, Jr.

\s\Keith P. Williams --- Keith P. Williams	Director	March 9, 2001
\s\Yale Blanc --- Yale Blanc	Director	March 9, 2001
\s\Robert D. Orr --- Robert D. Orr	Director	March 9, 2001

Exhibit 21

ESCALADE, INCORPORATED AND SUBSIDIARIES

LIST OF SUBSIDIARIES AT DECEMBER 30, 2000

PARENT	STATE OF OTHER JURISDICTION OF INCORPORATION	PERCENT OF VOTING SECURITIES OWNED BY PARENT
Escalade, Incorporated	Indiana	
Subsidiaries		
Indian Industries, Inc. (1)	Indiana	100%
Martin Yale Industries, Inc. (1)	Indiana	100%
Harvard Sports, Inc. (1)	California	100%
Master Products Manufacturing Company, Inc. (1)	California	100%
Indian-Martin AG (1)	Switzerland	100%
EIM Company, Inc. (1)	Nevada	100%
SOP Services, Inc. (1)	Nevada	100%

(1) Each subsidiary company so designated has been included in Consolidated Financial Statements for all periods following its acquisition. See Notes to Consolidated Financial Statements.

Exhibit 23

INDEPENDENT AUDITOR'S CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 33-16279, 333-52475 and 333-52477 of Escalade, Incorporated (Company) on Form S-8 of our report dated February 2, 2001 on the consolidated financial statements of the Company appearing in the Company's Annual Report on Form 10-K for the year ended December 30, 2000.

OLIVE LLP

Evansville, Indiana
March 15, 2001