

ROGERS CORP
Form 11-K
June 15, 2012

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 11- K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission file number 1-4347

A. Full title of the plan and address of the plan, if different from that of the issuer named below:

Rogers Employee Savings and Investment Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Rogers Corporation
P.O. Box 188
One Technology Drive
Rogers, Connecticut 06263-0188

REQUIRED INFORMATION

Financial Statements

The following Plan financial statements and schedule prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974 are filed herewith, as permitted by Item 4 of Form 11-K:

Report of Independent Registered Public Accounting Firm
Statements of Net Assets Available for Benefits as of December 31, 2011 and 2010
Statements of Changes in Net Assets Available for Benefits for each of the years ended December 31, 2011 and 2010
Notes to Financial Statements
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

Exhibit

Exhibit 23 - Consent of Independent Registered Public Accounting Firm

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this Annual Report on Form 11-K to be signed on its behalf by the undersigned hereunto duly authorized.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

/s/ Dennis M. Loughran
Dennis M. Loughran
Vice President, Finance and Chief Financial Officer

June 15, 2012

Audited Financial Statements

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

Years Ended December 31, 2011

TABLE OF CONTENTS

Report of Independent Registered Public Accounting Firm	1
Statements of Net Assets Available for Benefits	2
Statements of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	12

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Rogers Employee Savings and Investment Plan Committee and Participants
Rogers Corporation

We have audited the accompanying statements of net assets available for benefits of Rogers Employee Savings and Investment Plan as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2011 and 2010, and the changes in its net assets available for benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2011 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management. This information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Boston, Massachusetts
June 15, 2012

Rogers Employee Savings and Investment Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2011	2010
Assets:		
Investments	\$84,705,014	\$83,631,032
Receivables:		
Participant contributions	133,899	142,924
Employer contributions	178,229	99,449
Notes receivable from participants	1,840,277	1,737,632
	2,152,405	1,980,005
Net assets available for benefits	\$86,857,419	\$85,611,037

See accompanying notes to financial statements.

Rogers Employee Savings and Investment Plan

Statements of Changes in Net Assets Available for Benefits

	Year ended December 31,	
	2011	2010
Additions:		
Investment income (loss):		
Capital gains	\$206,174	\$-
Interest	555,759	582,134
Dividends	328,568	240,742
Net appreciation (depreciation) in fair value of investments	(2,848,512)	8,099,997
	(1,758,011)	8,922,873
Interest income on notes receivable from participants	70,653	71,198
Contributions:		
Participant	5,117,836	4,421,067
Employer	1,803,920	1,634,748
Rollovers	468,436	244,031
	7,390,192	6,299,846
Total additions, net of investment loss	5,702,834	15,293,917
Deductions:		
Benefit payments	4,398,695	3,625,801
Administrative expenses	57,757	58,628
Total deductions	4,456,452	3,684,429
Net increase	1,246,382	11,609,488
Net assets available for benefits:		
Beginning of year	85,611,037	74,001,549
End of year	\$86,857,419	\$85,611,037

See accompanying notes to financial statements.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2011 and 2010

NOTE A – DESCRIPTION OF THE PLAN

The Rogers Employee Savings and Investment Plan (the Plan or RESIP) is a contributory defined contribution plan covering all regular U.S. employees who have completed at least one month of continuous service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan's record-keeper and custodian functions are performed by businesses controlled by or affiliated with Prudential Financial, Inc. (Prudential). Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

Participants may contribute up to the lesser of \$16,500 or their annual compensation less FICA taxes.

All participants, except those in collective bargaining units, are eligible to receive matching Rogers Corporation (the Company) contributions. The Company contributed 100% of the first 1% and 50% of the next 5% of each participant's annual compensation in 2011 and 2010. All contributions are participant directed.

Participants may borrow from their fund accounts a minimum of \$1,000 and a maximum equal to the lesser of \$50,000 subject to certain IRS restrictions, or 50 percent of their vested account balance. Loan terms range from one month to five years or up to fifteen years for the purchase of a primary residence. A participant may not have more than two loans outstanding at any point in time. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined periodically by the Plan administrator. Principal and interest are paid ratably through payroll deductions.

Each participant's account is credited with the participant's pretax contributions, the Company's contribution (if applicable), an allocation of Plan earnings, and rollovers (if applicable). Total earnings by fund are allocated daily to individual accounts.

Participants are immediately vested in their contributions and become 100% vested in the Company's contributions after two years of continuous service. Upon early retirement, normal retirement, total disability, as defined by the Plan, death, or ceasing to be an employee of the Company and a participant in the Plan on or after December 1, 2002 as a result of becoming an employee of a joint venture in which the Company has at least 30% ownership, a participant is 100% vested in the Company's contributions. Any nonvested participant who is terminated and not re-employed with the Company within five years of termination forfeits his or her interest in the nonvested portion of the Company's contributions. If re-employed within five years, the participant will recover his or her rights in this nonvested portion.

Forfeitures used to reduce Company contributions and administrative expenses were \$60,017 and \$11,551 during 2011 and 2010, respectively. The forfeiture balance at December 31, 2011 and 2010 was \$28,740 and \$61,769, respectively.

An employee's tax-deferred contributions cannot be withdrawn prior to age 59-1/2 except for an immediate financial hardship, as defined by the Plan. Hardship withdrawals are allowed for participants incurring an immediate and heavy financial need, as defined by the Plan. Hardship withdrawals are strictly regulated by the Internal Revenue Service (IRS) and a participant must exhaust all available loan options and available distributions prior to requesting a

hardship withdrawal. Company contributions can be drawn upon after five years in the Plan and a participant can withdraw funds for any reason upon reaching age 59-1/2. Upon early retirement, normal retirement, total disability, as defined by the Plan, death, or any other termination of employment, a participant may receive the value of the vested portion of his or her total account offset by any outstanding Plan loans.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF THE PLAN (continued)

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan terminates, participants will become 100% vested in their accounts.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, Improving Disclosures about Fair Value Measurements. ASU 2010-06 amended Accounting Standards Codification 820, Fair Value Measurements and Disclosures (ASC 820) to clarify certain existing fair value disclosures and require a number of additional disclosures. The requirement to present changes in Level 3 measurements on a gross basis is effective for reporting periods beginning after December 15, 2010. Since ASU 2010-06 only affects fair value measurement disclosures, adoption of ASU 2010-06 did not have an effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

In May 2011, the FASB issued ASU 2011-04, Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs. ASU 2011-04 amended ASC 820, to converge the fair value measurement guidance in U.S generally accepted accounting principles (U.S. GAAP) and International Financial Reporting Standards (IFRSs). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - SIGNIFICANT ACCOUNTING POLICIES (continued)

Payment of Benefits

Benefits are recorded when paid.

Valuation and Income Recognition of Investment

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note E for further discussion of fair value measurements.

Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year.

The estimated fair values of the participation units owned by the Plan in pooled separate accounts are based on quoted redemption values and adjusted for management fees and asset charges, as determined by the record-keepers, on the last business day of the Plan year, which represents a Net Asset Value (NAV) or equivalent measure. Pooled separate accounts are accounts established by the Trustee solely for the purpose of investing the assets of one or more plans. Funds in a separate account are not commingled with other assets of the Trustee for investment purposes. There are no redemption restrictions associated with the pooled separate accounts.

Investments in mutual funds are valued at quoted market prices, which represent the NAV of shares held by the Plan at year end.

The investment in the group annuity contract is valued at fair value which approximates contract value. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The contract value of the fully benefit-responsive investment contracts represents contributions plus earnings, less participant withdrawals and administrative expenses. The fair value of the group annuity contract utilizes an income approach and is based on the discounting of expected cash flows. As there are no contractual cash flows other than redemption, and there is only a 90 day period from initial request to the redemption date, the fair value approximates contract value. There are no events that limit the ability of the Plan to transact at contract value with the insurance company and there are no restrictions on redemption, other than the 90 day waiting period.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE B - SIGNIFICANT ACCOUNTING POLICIES (continued)

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2010 or 2011. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein. Actual results could differ from those estimates.

Administrative Expenses

The majority of the costs and expenses incurred in connection with the operation of the Plan have been borne by the Company.

NOTE C - INVESTMENTS

The following presents investments that represent five percent or more of the Plan's net assets available for benefits.

	December 31,	
	2011	2010
Group Annuity Contract	\$23,624,243	\$22,064,531
Rogers Corporation Common Stock	8,830,411	9,784,654
MFS Value Fund R3*	7,308,245	-
American Euro Pac Gr R5*	5,779,311	-
Mainstay Large Cap Growth*	5,636,990	-
Core Plus Bond/PIMCO*	5,173,313	-
Eaton Vance LG Cap Value A**	-	8,511,234
Growth Fund of America R5**	-	6,462,755
Intern Blend / Artio Global**	-	5,668,306

- * Designates a new fund for 2011
- ** Fund was closed for 2011

7

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE C - INVESTMENTS (continued)

During the years ended December 31, 2011 and 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2011	2010
Pooled Separate Accounts	\$(1,071,480)	\$3,542,976
Mutual Funds	(1,555,868)	2,595,144
Rogers Corporation Common Stock	(221,164)	1,961,877
	\$(2,848,512)	\$8,099,997

NOTE D - TRANSACTIONS WITH PARTIES-IN-INTEREST

During the years ended December 31, 2011 and 2010, the Plan entered into the following transactions with parties-in-interest:

	2011		2010	
	Shares	Amount	Shares	Amount
Rogers Corporation:				
Purchases of capital stock	13,030.3400	\$571,560	15,674.3400	\$501,219
Sales of capital stock, at market value	29,274.8900	1,304,750	45,139.7100	1,329,682

The Plan holds units of pooled separate account funds managed by Prudential, the trustee of the Plan. The Plan also invests in the common stock of the Company. These transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

NOTE E – FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable. These inputs reflect management’s judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information, some of which may be internally developed.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE E – FAIR VALUE MEASUREMENTS (continued)

The level in the fair value hierarchy within which the fair value measurement is classified based on the lowest level input that is significant to the fair value measure in its entirety.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets carried at fair value as of December 31, 2011 and 2010:

	Assets at Fair Value as of December 31, 2011			
	Level 1	Level 2	Level 3	Total
Rogers Corporation Common Stock	\$8,830,411	\$-	\$-	\$8,830,411
Mutual Funds				
Domestic	17,440,529	-	-	\$17,440,529
International	9,020,022	-	-	\$9,020,022
Pooled Separate Accounts				
Domestic	-	21,978,557	-	\$21,978,557
Life Cycle (a)	-	3,811,252	-	\$3,811,252
Group Annuity Contract	-	-	23,624,243	\$23,624,243
Total investments at fair value	\$35,290,962	\$25,789,809	\$23,624,243	\$84,705,014

	Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Rogers Corporation Common Stock	\$9,784,764	\$-	\$-	\$9,784,764
Mutual Funds				
Domestic	24,664,550	-	-	\$24,664,550
International	2,077,788	-	-	\$2,077,788
Pooled separate accounts				
Domestic	-	15,710,118	-	\$15,710,118
International	-	5,668,306	-	\$5,668,306
Life Cycle (a)	-	3,660,975	-	\$3,660,975
Group Annuity Contract	-	-	22,064,531	\$22,064,531
Total investments at fair value	\$36,527,102	\$25,039,399	\$22,064,531	\$83,631,032

(a) Not all US investments

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE E – FAIR VALUE MEASUREMENTS (continued)

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2010 and 2011:

	Group Annuity Contract
Balance at January 1, 2010	\$21,626,726
Realized gains(losses)	582,133
Unrealized gains(losses) relating to instruments still held at the reporting date	-
Purchases, sales, issuances and settlements (net)	144,328
Transfers in and/or out of Level 3	-
Balance at December 31, 2010	\$22,064,531
Realized gains(losses)	555,621
Unrealized gains(losses) relating to instruments still held at the reporting date	-
Purchases	5,151,477
Sales	4,147,385
Issuances and Settlements	-
Transfers in and/or out of Level 3	-
Balance at December 31, 2011	\$23,624,243

NOTE F – Investment Contract with Insurance Company

The Plan invests in a fully benefit-responsive group annuity contract. The issuer maintains the contributions in the Principal Preservation Separate Account (PPSA), a pooled separate account. The account is credited with participant contributions plus earnings and charged for participant withdrawals and administrative expenses. The issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting interest rate is based on a formula agreed upon with the issuer, but may not be less than 1.5 percent. Such interest rates are reviewed and may be reset on a semi-annually basis.

Contract termination may occur by either party upon election and notice. Because the group annuity contract is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the group annuity contract. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

ROGERS EMPLOYEE SAVINGS AND INVESTMENT PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE F – Investment Contract with Insurance Company (continued)

Average yields for group annuity contract	2011	2010
Based on actual earnings	2.45	