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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1937

Date of Report (Date of earliest event reported): January 9, 2008

Daktronics, Inc.

(Exact name of registrant as specified in its charter)

South Dakota
(State or other jurisdiction
Incorporation or organization)

0-23246
(Commission
File Number)

46-0306862
(I.R.S. Employer
Identification Number)



331 32nd Ave
Brookings, SD 57006
(Address of principal executive office) (zip code)

(605) 697-4000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report.)

7.01 Regulation FD Disclosure

Please find the January 2008 Needham & Company Growth Conference Presentation attached as Exhibit 99.1. This Current Report on Form 8-K and the attached exhibit are furnished to, but not filed with, the Securities Exchange Commission ("SEC") and shall not be deemed to be incorporated by reference into any of the Company's filings with the SEC under the Securities Act of 1933, as amended, or the Exchange Act of 1934, as amended.

Item 9.01 Financial Statements and Exhibits:

(c) Exhibits.

99.1 Needham & Company Growth Conference Presentation

SIGNATURE

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

DAKTRONICS, INC.

By: /s/ William R. Retterath
William R. Retterath, Chief Financial Officer

Date: January 9, 2008



Investor Presentation
Needham & Company Growth Stock Conference
January 8-11, 2008





Cautionary Notice

In addition to statements of fact, this presentation contains forward-looking statements reflecting the company's expectations or beliefs concerning future events which could materially affect company performance in the future. The company cautions that these and similar statements involve risk and uncertainties including changes in economic and market conditions, seasonality of business, timing and magnitude of future contracts, management of growth, and other risks noted in the company's SEC filings which may cause actual results to differ materially. Forward-looking statements are made in the context of information available as of the date stated. The company undertakes no obligation to update or revise such statements to reflect new circumstances or unanticipated events as they occur.

DAKTRONICS



Strong Industry Leadership Position

executing against our mission to be the world leader
at informing people through dynamic audio-visual
communications systems

Current Position in the Marketplace:

- **#1 supplier of LED video displays***
- **#1 supplier of LED text and graphics displays***
- **#1 supplier of LED based scoring systems****

(*according to research firm iSuppli. ** company estimates)

DAKTRONICS

Five Year Financial History

(Dollars in thousands except per share data)	FY2003	FY2004	FY2005	FY2006	FY2007	5-Yr CAGR
Sales	\$177,764	\$209,907	\$230,346	\$309,370	\$433,201	23.8%
Operating Income	\$ 19,825	\$ 27,530	\$ 19,436	\$ 31,815	\$ 36,915	32.3%
Earnings Per Share	\$ 0.32	\$ 0.44	\$ 0.39	\$ 0.52	\$ 0.59	35.1%
Dividend Per Share	-	-	-	0.05	0.06	

DAKTRONICS



Overall Competitive Advantage

- Complete integrated solution
- Unparalleled sales and service coverage
- Engineering capabilities
- Extensive software solutions
- Depth of extended services
- Product quality and performance
- Industry experience
- Capacity to deliver

DAKTRONICS



Industry Fundamentals

Rapidly growing adoption of LED display technology:

- Continually improving price performance
- Full color at affordable price levels
- Effective media platform
- Customer competitive factors
- Trickle down of technology and systems

Highly competitive marketplace across all markets.

DAKTRONICS



Business Units (Segments)

Implemented in FY08 to drive financial and operational performance

- Domestic (includes Canada)
 - Commercial
 - Live Events
 - Schools and theaters
 - Transportation
- International

DAKTRONICS

Commercial Business Unit



DAKTRONICS

Commercial Overview

Three main areas

- Digital billboard
- National accounts
- Resellers

Main products

- Valo™ digital displays
- Galaxy®
- GalaxyPro™
- ProStar® video



33% of FY07 net sales

Order growth in FY08 expected to be in excess of 20%

DAKTRONICS

Commercial Overview

Growth Drivers

- Greater acceptance & increasing use
- Billboard applications

Competitors

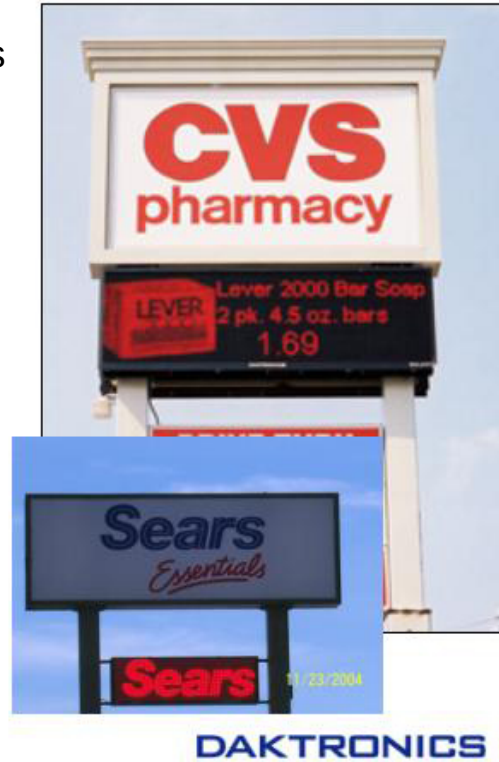
- Resellers – Optec, Watchfire, EDS
- National Accounts – Optec, Hi-Tech
- Digital Billboards – Yesco, Optotec



DAKTRONICS

Commercial - National Accounts

- Concentrated in a few accounts
- Galaxy® product line
- Opportunities exists as acceptance increases
- Expect greater than 20% order growth FY08



Commercial – Digital Billboard

- Built on a solid ROI model
- Key barriers include product development and service
- Expect greater than 25% order growth in FY08



DAKTRONICS

Live Events Business Unit



DAKTRONICS



Live Events Overview

Formerly referred to as large sports venues

- Professional sports facilities
- College and university facilities
- Mobile and modular:
 - Rental and staging
 - Touring companies
 - Parimutual

39% of net sales in FY07

Expected order growth for FY08 to be flat

Large order awards likely to be pushed out to FY09 and actual amounts could cause this to vary significantly.

Generally, not impacted by economic cycles

DAKTRONICS

Live Events Growth Drivers

- Fan experience
- High definition (HD)
- Competition between venues
- Improving price/performance of LED technology
- Increasing use
- Revenue generation
- New construction



DAKTRONICS



Live Events Competition

Competition – Large Sports Venues

- Mitsubishi, ANC, Philips, Barco, Panasonic, and others
- Competition generally must partner with others to compete with Daktronics breadth of product

Competition – Mobile and Modular

- Barco, Lighthouse, Toshiba, Hibino

Competitive advantages

- Unparalleled range of product
- Complete integrated system
- Project management
- Engineering talent
- Services and support

DAKTRONICS

Large Sports Venues – New Construction

- Generally, not dependent on new construction projects
- Notable difference for FY08-FY10
- Significant increase in facility spending for display systems
- Recent wins:
 - New York Yankees – \$19 million
 - Indianapolis Colts – \$11 million
 - Kansas City Royals – \$10 million
 - Pending transactions:
 - University of Minnesota – \$9 million
 - New York Mets – \$11 million
 - Pending bids for large projects for rest of fiscal year
 - New York Giants/Jets , Kansas City Chiefs, Minnesota Twins
- Uncertain timing for booking

DAKTRONICS

Mobile & Modular



- Significant product investment over past three years
- Designed for ease of use, set-up and tear down

DAKTRONICS

Schools & Theatres Business Unit



DAKTRONICS



Schools & Theatres Overview

Formerly referred to as small sports venues

- Elementary and high schools, junior colleges
- Park and recreation departments
- Theatres

Main Products

- Sports Scoring Systems
- Galaxy® displays
- Vortek® hoist systems

12% of net sales in FY07

Expected order growth in excess of 35% in FY08

DAKTRONICS



Schools & Theatres Overview

Growth drivers

- Larger and more capable display systems
- New construction and renovations
- Competition between venues
- Parent and student communications

Competitors

- Sports systems
Trans-Lux, Nevco, All American, Electro-Mech,
Colorado Timing Systems, Spectrum
- Campus Communications
Optec, Hi-Tech, AMS, Watchfire & others
- Automated Rigging Systems
JR Clancy and Stage Technologies

DAKTRONICS

International Business Unit



DAKTRONICS

International Overview

Established presence in

- Europe in 2003
- Asia in 2005
- Middle East in 2006

10% of net sales in FY07

Order growth expected of >40%

Recent orders from JC Decaux

Making significant investments



DAKTRONICS

Transportation Business Unit



DAKTRONICS

Transportation Overview

Three main areas:

- Intelligent transportation systems (ITS)
- Aviation, including airports and airlines
- Portable traffic display suppliers

6% of FY07 net sales

Order growth in FY08 expected to be flat



Transportation Overview

Growth Drivers

- Government spending
- Capacity constraints on highways, public transit, airports and parking systems
- Limited ability to build or expand new roads
- Increased air travel
- Work-zone safety

Competitors

- ITS – Skyline, Ledstar
- Aviation – TransLux, AMS
- Portables – Addco, Vermac





FINANCIAL SUMMARY



FY 2008 Year-to-Date Results*

	<u>2008</u>	<u>2007</u>	<u>Change</u>
Net Sales	\$ 252,359	\$ 215,683	17.0%
Gross Profit	\$ 76,079	\$ 61,746	23.2%
Gross margin	30.1%	28.6%	
Operating Income	\$ 23,615	\$ 20,977	12.6%
Operating margin	9.4%	9.7%	
Net Income	\$ 15,121	\$ 13,879	8.9%
% of revenue	6.0%	6.4%	
Earnings per share (diluted)	\$ 0.37	\$ 0.34	8.8%

*(\$ in thousands, except per share data)

DAKTRONICS

Capacity Expansion

FY2007 investment of \$59 million

- Brookings facilities – general purpose of 80,000 sq. ft.
- Sioux Falls facility – 120,000 sq. ft. with a focus on digital billboards
- Redwood Falls facility – 100,000 sq. ft. with a focus on Galaxy[®] and gas price digit displays
- Information systems infrastructure
- Land for long-term growth

FY2008 expected investment of \$50 million

- Completion of Brookings facility addition
- Additional capacity in Redwood Falls
- Remaining \$35 million for non-facilities initiatives

FY2009 expectation

- Demonstrated leverage compared to sales over the long-term

DAKTRONICS



Growth Strategies – Cash Investments

Ongoing Product Development – 4% of net sales

- New product for existing markets
- Enhance existing products while reducing costs

Emphasis on process improvement – Lean manufacturing

Continue to expand distribution

- Add local sales and service offices domestic and international
- Continue to develop service network

Capacity: facilities, equipment and systems (IT)

DAKTRONICS



Maintaining Profitable Growth

- Aggressively implement lean business processes to reduce costs and improve quality
- Address SG&A on a quarterly basis, to create leverage over the long-term
- Improve inventory and receivables turns
- Focus on operating margin

DAKTRONICS



Previously Announced Outlook for Q3 FY2008

Order bookings for the third quarter may exceed \$150 million (subject to booking of large orders)

Previously announced Q3 estimates

- Net sales \$107-116 million
- EPS \$.10 - \$.15 (fully-diluted)

DAKTRONICS



QUESTIONS

