SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2002

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission File Number 0-25150

STRATTEC SECURITY CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

WISCONSIN	39-1804239
(State of Incorporation)	(I.R.S. Employer Identification No.)

3333 WEST GOOD HOPE ROAD, MILWAUKEE, WI 53209
(Address of Principal Executive Offices)

(414) 247-3333
(Registrant's Telephone Number, Including Area Code)

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. YES X NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Common stock, par value $0.01 per share: 4,143,433 shares outstanding as of March 31, 2002.

STRATTEC SECURITY CORPORATION

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Item 1 Financial Statements

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Amounts)

	Three Months Ended		Nine Months Ended	
	March 31, 2002	April 1, 2001	March 31, 2002	April 1, 2001
	(unaudited)		(unaudited)	
Net sales	$ 51,687	$ 48,179	$ 150,320	$ 150,588
Cost of goods sold	40,313	38,842	118,758	120,026
Gross profit	11,374	9,337	31,562	30,562
Engineering, selling and administrative expenses	4,954	5,182	14,596	14,872
Income from operations	6,420	4,155	16,966	15,690
Interest income	119	138	415	521
Interest expense	-	-	-	-
Other expense, net	(142)	(81)	(49)	(158)
Income before provision for income taxes	6,397	4,212	17,332	16,053

Provision for income taxes	2,367	1,601	6,413	6,132
Net income	$ 4,030	$ 2,611	$ 10,919	$ 9,921
Earnings per share:				
Basic	$ 0.98	$ 0.61	$ 2.66	$ 2.26
Diluted	$ 0.96	$ 0.60	$ 2.62	$ 2.21

The accompanying notes are an integral part of these consolidated statements.

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands)

	March 31, 2002	July 1, 2001
ASSETS	(unaudited)	
Current Assets:		
Cash and cash equivalents	$ 32,434	$ 15,298
Receivables, net	26,745	27,189
Inventories-		
Finished products	3,180	1,737
Work in process	8,496	8,456
Raw materials	569	594
LIFO adjustment	(2,117)	(2,182)
Total inventories	10,128	8,605
Customer tooling in progress	2,327	2,588
Other current assets	7,388	5,987
Total current assets	79,022	59,667
Deferred Income Taxes	130	130
Property, plant and equipment	99,040	96,108
Less: accumulated depreciation	(59,678)	(54,257)
Net property, plant and equipment	39,362	41,851
	$ 118,514	$ 101,648
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 15,027	$ 14,178
Environmental	2,730	2,749
Other accrued liabilities	12,482	9,566
Total current liabilities	30,239	26,493
Accrued pension and postretirement obligations	14,967	15,145
Shareholders' equity:		
Common stock, authorized 12,000,000 shares $.01 par value, Issued 6,363,855 shares at March 31, 2002, and 6,195,889 shares at July 1, 2001	64	62
Capital in excess of par value	54,322	49,545
Retained earnings	91,909	80,990
Cumulative translation adjustments	(1,720)	(1,749)
Less: treasury stock, at cost (2,220,422 shares at March 31, 2002 and 2,149,800 shares at July 1, 2001)	(71,267)	(68,838)
Total shareholders' equity	73,308	60,010
	$ 118,514	$ 101,648

The accompanying notes are an integral part of these consolidated balance sheets.

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

	Nine Months Ended	
	March 31, 2002	April 1, 2001
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 10,919	$ 9,921
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	6,230	5,906
Change in operating assets and liabilities:		
Decrease in receivables	449	1,556
(Increase) decrease in inventories	(1,523)	2,158
(Increase) decrease in other assets	(546)	1,531
Increase (decrease) in accounts payable and accrued liabilities	3,544	(7,727)
Tax benefit from options exercised	647	293
Other, net	(510)	387
Net cash provided by operating activities	19,210	14,025
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(3,774)	(6,552)
Net cash used in investing activities	(3,774)	(6,552)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Purchase of treasury stock	(2,452)	(14,312)
Exercise of stock options	4,152	902
Net cash provided by (used in) financing activities	1,700	(13,410)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,136	(5,937)
CASH AND CASH EQUIVALENTS		
Beginning of period	15,298	13,915
End of period	$ 32,434	$ 7,978
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Income taxes paid	$ 4,430	$ 5,633
Interest paid	-	-

The accompanying notes are an integral part of these consolidated statements.

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

BASIS OF FINANCIAL STATEMENTS

STRATTEC SECURITY CORPORATION (the "Company") designs, develops, manufactures and markets mechanical locks, electro-mechanical locks and related access-control products for North American and global automotive manufacturers. The accompanying financial statements reflect the consolidated results of the Company, its two wholly owned Mexican subsidiaries, and its foreign sales corporation.

In the opinion of management, the accompanying unaudited financial statements contain all adjustments, which are of a normal recurring nature, necessary to present fairly the financial position as of March 31, 2002, and the results of operations and cash flows for the period then ended. All significant intercompany transactions have been eliminated. Interim financial results are not necessarily indicative of operating results for an entire year.

Certain amounts previously reported have been reclassified to conform to the March 31, 2002 presentation. These financial statements and notes thereto should be read in conjunction with the financial statements and notes thereto included in the Company's 2001 Annual Report.

EARNINGS PER SHARE (EPS)

A reconciliation of the components of the basic and diluted earnings per-share computations follows (in thousands, except per share amounts):

	Nine Months Ended					
	March 31, 2002			April 1, 2001		
	Net Income	Shares	Per-Share Amount	Net Income	Shares	Per-Share Amount
Basic Earnings Per Share	$10,919	4,103	$2.66	$9,921	4,397	$2.26
Stock Options		59			95	
Diluted Earnings Per Share	$10,919	4,162	$2.62	$9,921	4,492	$2.21

	Three Months Ended					
	March 31, 2002			April 1, 2001		
	Net Income	Shares	Per-Share Amount	Net Income	Shares	Per-Share Amount
Basic Earnings Per Share	$4,030	4,130	$0.98	$2,611	4,297	$0.61
Stock Options		74			85	
Diluted Earnings Per Share	$4,030	4,204	$0.96	$2,611	4,382	$0.60

Options to purchase 226,128 shares of common stock at prices ranging from $43.07 to $45.79 per share and 342,910 shares of common stock at prices ranging from $31.98 to $45.79 per share were outstanding as of March 31, 2002, and April 1, 2001, respectively, but were not included in the computation of diluted EPS because the options' exercise prices were greater than the average market price of the common shares.

COMPREHENSIVE INCOME

The following table presents the Company's comprehensive income (in thousands):

	Three Months Ended		Nine Months Ended	
	March 31, 2002	April 1, 2001	March 31, 2002	April 1, 2001
Net Income	$4,030	$2,611	$10,919	$ 9,921
Change in Cumulative Translation Adjustments, net	137	119	29	203
Total Comprehensive Income	$4,167	$2,730	$10,948	$10,124

Item 2

STRATTEC SECURITY CORPORATION AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following Management's Discussion and Analysis should be read in conjunction with the Company's accompanying Financial Statements and Notes thereto and the Company's 2001 Annual Report. Unless otherwise indicated, all references to years refer to fiscal years.

Analysis of Results of Operations

Three months ended March 31, 2002 compared to the three months ended April 1, 2001

Net sales for the three months ended March 31, 2002, were $51.7 million compared to net sales of $48.2 million for the three months ended April 1, 2001. Sales to the Company's largest customers overall increased in the current quarter compared to the prior year quarter levels, with General Motors Corporation at $15.7 million compared to $13.9 million, Delphi Corporation at $7.4 million compared to $6.1 million, and DaimlerChrysler Corporation at $9.6

million compared to $8.2 million. Sales to Ford Motor Company decreased during the current quarter to $10.6 million compared to $10.8 million, and sales to Mitsubishi Motor Manufacturing of America, Inc. were $2.4 million compared to $2.7 million.

Gross profit as a percentage of net sales was 22.0 percent in the current quarter compared to 19.4 percent in the prior year quarter. The higher margin in the current quarter was a result of more level and normalized customer vehicle production schedules and the Company's ongoing cost reduction initiatives. The impact of the charge related to the realignment of human resources in the prior year quarter reduced gross profit margins by .5 percent.

Engineering, selling and administrative expenses were relatively consistent between quarters and totaled $5.0 million in the current quarter compared to $5.2 million in the prior year quarter.

Income from operations increased to $6.4 million in the current quarter from $4.2 million in the prior year quarter as a result of increased sales and improved gross profit margins as discussed above.

The effective income tax rate for the current quarter was 37 percent compared to 38 percent in the prior year quarter. The decrease is due to an increase in the foreign sales benefit. The overall effective rate differs from the federal statutory tax rate primarily due to the effects of state income taxes.

Nine months ended March 31, 2002 compared to the nine months ended April 1, 2001

Net sales for the nine months ended March 31, 2002, were $150.3 million compared to net sales of $150.6 million for the nine months ended April 1, 2001. Sales to the Company's largest customers overall were consistent with the prior year period, with General Motors Corporation at $46.4 million compared to $44.5 million, Delphi Corporation at $21.3 million compared to $20.1 million, DaimlerChrysler Corporation at $27.4 million compared to $24.1 million, Ford Motor Company at $30.2 million compared to $33.5 million, and Mitsubishi Motor Manufacturing of America, Inc. at $7.3 million compared to $9.7 million.

Gross profit as a percentage of net sales was 21.0 percent in the nine months ended March 31, 2002, compared to 20.3 percent in the prior year period. A decline in the gross profit margin during the September quarter was attributed to additional costs incurred to expedite past due orders and rebuild inventories depleted during the June 2001 strike at the Milwaukee facility. The improvement in the December and March quarters was a result of more level and normalized customer vehicle production schedules and the Company's ongoing cost reduction initiatives. The impact of the charge related to the realignment of human resources in the prior year period reduced gross profit margins by .2 percent.

Engineering, selling and administrative expenses were relatively consistent between periods and totaled $14.6 million in the nine months ended March 31, 2002, compared to $14.9 million in the prior year period.

Income from operations was $17.0 million in the nine months ended March 31, 2002, compared to $15.7 million in the prior year period. The increase is the result of the improved gross profit margin as previously discussed.

The effective income tax rate for the current period was 37 percent compared to 38 percent in the prior year period. The decrease is due to an increase in the foreign sales benefit. The overall effective rate differs from the federal statutory tax rate primarily due to the effects of state income taxes.

Liquidity and Capital Resources

The Company generated cash from operating activities of $19.2 million in the nine months ended March 31, 2002. In the nine months ended April 1, 2001, the Company generated $14.0 million in cash from operating activities. The increased generation of cash between periods is primarily due to the timing of the payment of accounts payable and accrued liabilities, which is based on normal payment terms.

The Company's investment in accounts receivable was $26.7 million at March 31, 2002, which is consistent with the July 1, 2001 balance of $27.1 million. Inventories increased by approximately $1.5 million at March 31, 2002, as compared to July 1, 2001 as the result of an effort to rebuild inventories depleted during the June 2001 strike at the Milwaukee facility.

Capital expenditures during the nine months ended March 31, 2002, were $3.8 million compared to $6.6 million during the nine months ended April 1, 2001. The Company anticipates that capital expenditures will be approximately $6 million in 2002, primarily in support of requirements for new product programs and the upgrade and replacement of existing equipment.

The Board of Directors of the Company has authorized a stock repurchase program to buy back up to 2,639,395 outstanding shares. A total of 2,232,026 shares have been repurchased as of March 31, 2002, at a cost of approximately $71.5 million. During the quarter ended March 31, 2002, no shares were repurchased. Additional repurchases may occur from time to time. Funding for the repurchases was provided by cash flow from operations and to a lesser extent from borrowings under existing credit facilities.

The Company has a $50.0 million unsecured, revolving credit facility (the "Credit Facility"), of which $30 million expires October 31, 2002 and $20 million expires October 31, 2003. There were no outstanding borrowings under the Credit Facility at March 31, 2002. Interest on borrowings under the Credit Facility are at varying rates based, at the Company's option, on the London Interbank offering rate, the Federal Funds Rate, or the bank's prime rate. The Credit Facility contains various restrictive covenants including covenants that require the Company to maintain minimum levels for certain financial ratios such as tangible net worth, ratio of indebtedness to tangible net worth and fixed charge coverage. The Company believes that the Credit Facility will be adequate, along with cash flow from operations, to meet its anticipated capital expenditure, working capital and operating expenditure requirements.

The Company has not been significantly impacted by inflationary pressures over the last several years, except for fluctuations in the market price of zinc, which the company uses at a rate of approximately 1 million pounds per month, and inflation in Mexico, which impacts the US dollar costs of the Mexican assembly operations.

Mexican Operations

The Company has assembly and key molding and notching operations in Juarez, Mexico. Since December 28, 1998, the functional currency of the Mexican operation has been the Mexican peso. The effects of currency fluctuations result in adjustments to the U.S. dollar value of the Company's net assets and to the equity accounts in accordance with Statement of Financial Accounting Standard (SFAS) No. 52, "Foreign Currency Translation."

Other

On November 28, 2000, the Company signed certain alliance agreements with E. WiTTE Verwaltungsgesellschaft GMBH, and its operating unit, WiTTE-Velbert GmbH & Co. KG ("WiTTE"). WiTTE, of Velbert, Germany, is a privately held, QS 9000 and VDA 6.1 certified automotive supplier with sales of DM313 million in their last fiscal year. WiTTE designs, manufactures and markets components including locks and keys, hood latches, rear compartment latches, seat back latches, door handles and specialty fasteners. WiTTE's primary market for these products has been Europe. The WiTTE-STRATTEC alliance provides a set of cross-licensing agreements for the manufacture, distribution and sale of WiTTE products by the Company in North America, and the manufacture, distribution and sale of the Company's products by WiTTE in Europe. Additionally, a joint venture company ("WiTTE-STRATTEC LLC") in which each company holds a 50 percent interest has been established to seek opportunities to manufacture and sell both companies' products in other areas of the world outside of North America and Europe.

On March 1, 2002, the Company completed the formation of WiTTE-STRATTEC China, a joint venture between WiTTE-STRATTEC LLC and a unit of Elitech Technology Co. Ltd of Taiwan. WiTTE-STRATTEC China, located in Fuzhou, People's Republic of China, will be the base of operation to service the Company's automotive customers in the Asian market. This joint venture, along with

WiTTE-STRATTEC do Brasil, formed November, 2001 to service customers in South America, complete the Company's globalization effort. These activities did not have a material impact on the March 31, 2002, financial statements.

Forward Looking Statements

A number of the matters and subject areas discussed in this Form 10-Q contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "could," "expect," "intend," "may," "planned," "potential," "should," "will," and "could." These include expected future financial results, product offerings, global expansion, liquidity needs, financing ability, planned capital expenditures, management's or the Company's expectations and beliefs, and similar matters discussed in the Company's Management's Discussion and Analysis. The discussions of such matters and subject areas are qualified by the inherent risk and uncertainties surrounding future expectations generally, and also may materially differ from the Company's actual future experience.

The Company's business, operations and financial performance are subject to certain risks and uncertainties, which could result in material differences in actual results from the Company's current expectations. These risks and uncertainties include, but are not limited to, general economic conditions, in particular, relating to the automotive industry, customer demand for the Company's and its customer's products, competitive and technological developments, customer purchasing actions, foreign currency fluctuations and costs of operations.

Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this Form 10-Q and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances occurring after the date of this Form 10-Q.

Item 3 Quantitative and Qualitative Disclosures About Market Risk

The Company does not utilize financial instruments for trading purposes and holds no derivative financial instruments which would expose the Company to significant market risk. The Company has not had outstanding borrowings since December 1997. The Company has been in an investment position since this time and expects to remain in an investment position for the foreseeable future. There is therefore no significant exposure to market risk for changes in interest rates. The Company is subject to foreign currency exchange rate exposure related to the Mexican assembly operations.

Part II

Other Information

Item 1 Legal Proceedings - None

Item 2 Changes in Securities and Use of Proceeds - None

Item 3 Defaults Upon Senior Securities - None

Item 4 Submission of Matters to a Vote of Security Holders - None

Item 5 Other Information - None

Item 6 Exhibits and Reports on Form 8-K

(a) Exhibits

- 3.1* Amended and Restated Articles of Incorporation of the Company
- 3.2* By-Laws of the Company
- 4.1* Rights Agreement dated as of February 6, 1995 between the Company and Firstar Trust Company, as Rights Agent

(b) Reports on Form 8-K - None

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* Incorporated by reference to Amendment No. 2 to the Company's Form 10 filed on February 6, 1995.

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 thereunto duly authorized.

STRATTEC SECURITY CORPORATION (Registrant)

Date: May 3, 2002

By /S/ Patrick J. Hansen

Patrick J. Hansen
Vice President,
Chief Financial Officer,
Treasurer and Secretary
(Principal Accounting and Financial Officer)