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

Form 10-QSB

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended March 31, 2007

☐ **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: 1-16525

CVD EQUIPMENT CORPORATION

(Name of Small Business Issuer in Its Charter)

New York

11-2621692

*(State or Other Jurisdiction of
Incorporation or Organization)*

(I.R.S. Employer Identification No.)

1860 Smithtown Avenue

Ronkonkoma, New York 11779

(Address including zip code of registrant's Principal Executive Offices)

(631) 981-7081

(Issuer's Telephone Number, Including Area Code)

Securities registered under Section 12(b) of the Act:
None

Securities registered under Section 12(g) of the Act:
Common Stock, Par value \$0.01
(Title of class)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 ☒ No ☐

Indicate by check mark whether issuer is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act). (check one)

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: **3,298,500 shares of Common Stock, \$0.01 par value at May 8, 2007.**

CVD EQUIPMENT CORPORATION AND SUBSIDIARY

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PART 1 - FINANCIAL INFORMATION
Item 1 - Financial Statements

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
Consolidated Balance Sheets

	March 31, 2007 (Unaudited)	December 31, 2006
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 72,502	\$ 257,341
Accounts receivable, net	1,956,018	2,377,069
Investments	251,130	251,130
Cost in excess of billings on uncompleted contracts	1,285,618	716,663
Inventories	2,616,893	2,704,506
Other current assets	107,760	118,300
	<hr/>	<hr/>
Total current assets	6,289,921	6,425,009
Property, plant and equipment, net	4,919,667	4,778,807
Deferred income taxes - non-current	910,614	899,904
Other assets	664,631	708,114
Intangible assets, net	100,116	105,775
	<hr/>	<hr/>
	\$ 12,884,949	\$ 12,917,609
	<hr/>	<hr/>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current maturities of long-term debt	\$ 236,710	\$ 223,653
Short-term notes payable	205,000	210,000
Short-term debt	-	2,109
Accounts payable	634,251	640,771
Accrued expenses	650,151	686,771
Accrued professional fees - related party	10,000	35,000
Deferred revenue	-	212,250
Deferred tax liability - current	248,912	263,396
Total current liabilities	<hr/> 1,985,024	<hr/> 2,273,950
Long-term debt, net of current portion	2,843,865	2,776,801
Deferred tax liability - long-term	634,080	666,948
Total liabilities	<hr/> 5,462,969	<hr/> 5,717,699
Commitments and contingencies	---	---
Stockholders' Equity		
Common stock-\$0.01par value-10,000,000 shares authorized; issued and outstanding, 3,298,500 shares at March 31, 2007 and 3,250,500 at December 31, 2006	32,985	32,505
Additional paid-in capital	3,530,655	3,405,474
Retained earnings	3,858,340	3,761,931
Total Stockholders' Equity	<hr/> 7,421,980	<hr/> 7,199,910
	<hr/>	<hr/>
Total Liabilities and Stockholders' Equity	\$ 12,884,949	\$ 12,917,609
	<hr/>	<hr/>

The accompanying notes are an integral part of the consolidated financial statements.

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
Consolidated Statements of Operations
(Unaudited)

	Three Months Ended March 31,	
	2007	2006
Revenue:	\$ 3,811,277	\$ 3,211,473
Cost of Revenue	<u>2,555,330</u>	<u>2,141,376</u>
Gross profit	<u>1,255,947</u>	<u>1,070,097</u>
Operating expenses		
Selling and shipping	278,310	196,869
General and administrative	763,226	718,209
Related party - professional fees	10,000	-
Total operating expenses	<u>1,051,536</u>	<u>915,078</u>
Operating income	<u>204,411</u>	<u>155,019</u>
Other income (expense)		
Interest income	27	21
Interest expense	(53,473)	(56,647)
Other income	5,094	75,469
Total other income (expense)	<u>(48,352)</u>	<u>18,843</u>
Income before income taxes	156,059	173,862
Income tax provision	<u>(59,650)</u>	<u>(60,915)</u>
Net income	<u>\$ 96,409</u>	<u>\$ 112,947</u>
Basic income per common share	<u>\$ 0.03</u>	<u>\$ 0.04</u>
Diluted income per common share	<u>\$ 0.03</u>	<u>\$ 0.03</u>
Weighted average common shares outstanding		
basic income per share	3,284,589	3,132,689
Effect of potential common share issuance:		
Stock options	<u>129,203</u>	<u>169,537</u>
Weighted average common shares outstanding		
diluted income per share	<u>3,413,792</u>	<u>3,302,226</u>

The accompanying notes are an integral part of the consolidated financial statements

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
Consolidated Statements of Cash Flows
(Unaudited)

	Three Months Ended March 31,	
	2007	2006
Cash flows from operating activities		
Net income	\$ 96,409	\$ 112,947
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Stock based compensation expense	41,661	53,413
Depreciation and amortization	105,150	81,758
Deferred tax provision	(58,062)	58,998
Bad debt provision	(2,000)	-
Changes in operating assets and liabilities:		
Accounts receivable	423,050	(113,557)
Cost in excess of billings on uncompleted contracts	(568,955)	(452,019)
Inventory	87,613	(304,956)
Other current assets	10,540	(40,984)
Other assets		
Accounts payable	(6,520)	214,047
Accrued expenses	(61,619)	(135,371)
Deferred revenue	(212,250)	179,228
Net cash (used in) operating activities	<u>(144,983)</u>	<u>(346,496)</u>
Cash flows from investing activities:		
Capital expenditures	(210,633)	(142,649)
Deposits	13,766	-
Net cash (used in) investing activities	<u>(196,867)</u>	<u>(142,649)</u>
Cash flows from financing activities:		
Proceeds from short-term borrowings	800,000	535,000
Payments of short-term borrowings	(805,000)	(150,000)
Proceeds from loans	139,510	115,309
Payments of long-term debt	(61,499)	(61,967)
Net proceeds from stock options exercised	84,000	14,000
Net cash provided by financing activities	<u>157,011</u>	<u>452,342</u>
Net (decrease) in cash and cash equivalents	(184,839)	(36,803)
Cash and cash equivalents at beginning of period	<u>257,341</u>	<u>265,454</u>
Cash and cash equivalents at end of period	<u>\$ 72,502</u>	<u>\$ 228,651</u>
Supplemental disclosure of cash flow information:		
Income taxes paid	\$ 101,447	\$ 100
Interest paid	\$ 52,776	\$ 53,295

The accompanying notes are an integral part of the consolidated financial statements.

**CVD EQUIPMENT CORPORATION AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

NOTE 1: BASIS OF PRESENTATION

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-QSB and Item 310(b) of Regulation S-B. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary in order to make the interim financials not misleading have been included and all such adjustments are of a normal recurring nature. The operating results for the three months ended March 31, 2007 are not necessarily indicative of the results that can be expected for the year ending December 31, 2007.

The balance sheet as of December 31, 2006 has been derived from the audited financial statements at such date, but does not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements.

The accounting policies followed by the Company are set forth in Note 2 to the Company's consolidated financial statements in the December 31, 2006 Form 10-KSB.

For further information, please refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report of Form 10-KSB for the year ended December 31, 2006.

Intercompany transactions have been eliminated in consolidation.

Certain reclassifications have been made to prior period financial statements to conform to the current year presentation.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue and Income Recognition

The Company recognizes revenues and income using the percentage-of-completion method for custom production-type contracts while revenues from other products are recorded when such products are accepted and shipped. Profits on custom production-type contracts are recorded on the basis of the Company's estimates of the percentage-of-completion of individual contracts,

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 (continued):

commencing when progress reaches a point where experience is sufficient to estimate final results with reasonable accuracy. Under this method, revenues are recognized based on costs incurred to date compared with total estimated costs.

The asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues recognized in excess of amounts billed.

The liability, "Billings in excess of costs on uncompleted contracts" represents amounts billed in excess of revenues earned.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents.

Investments

Investments in unconsolidated companies in which the Company owns less than a 20% interest or otherwise does not exercise a significant influence are carried at cost.

NOTE 3: UNCOMPLETED CONTRACTS

Costs, estimated earnings and billings on uncompleted contracts are summarized as follows:

	<u>March 31, 2007</u> (Unaudited)	<u>December 31, 2006</u>
Costs incurred on uncompleted contracts	\$ 1,690,364	\$ 1,509,672
Estimated earnings	<u>2,495,770</u>	<u>2,015,836</u>
	4,186,134	3,525,508
Billings to date	<u>(2,900,516)</u>	<u>(2,808,845)</u>
	<u>\$ 1,285,618</u>	<u>\$ 716,663</u>
Included in accompanying balance sheets Under the following captions:		
Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 1,285,618	\$ 716,663
Billings in excess of costs and estimate earnings on uncompleted contracts	<u>---</u>	<u>---</u>
	<u>\$ 1,285,618</u>	<u>\$ 716,663</u>

CVD EQUIPMENT CORPORATION AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4: INVENTORY

Inventories consist of the following:

	<u>March 31, 2007</u> (Unaudited)	<u>December 31, 2006</u>
Raw materials	\$ 902,854	\$ 860,085
Work-in-process	1,385,078	1,515,460
Finished goods	<u>328,961</u>	<u>328,961</u>
	<u>\$2,616,893</u>	<u>\$ 2,704,506</u>

NOTE 5: BAD DEBTS

Accounts receivables are presented net of an allowance for doubtful accounts of \$5,217 and \$7,217 as of March 31, 2007 and December 31, 2006 respectively. The allowance is based on prior experience and management's evaluation of the collectibility of accounts receivable. Management believes the allowance is adequate. However, future estimates may change based on changes in economic conditions.

NOTE 6: SHORT TERM BORROWINGS

	<u>March 31, 2007</u> (Unaudited)	<u>December 31, 2006</u>
	\$205,000	\$210,000

The Company has a line of credit with a bank permitting it to borrow on a revolving basis amounts up to \$1,250,000 until June 1, 2007 at which time it will be subject to renewal. Interest is payable on any unpaid principal balance at the bank's prime rate plus $\frac{3}{4}$ of 1%. The prime rate was 8.25% and the amount outstanding on the facility was \$205,000 and \$210,000 on March 31, 2007 and December 31, 2006 respectively. Borrowings are collateralized by the Company's assets.

The Company has a line of credit for equipment purchases from the same bank permitting it to borrow up to 100% of the purchase price of the equipment up to \$250,000. The amount borrowed is immediately converted into a five year term loan at the bank's prime rate plus $1\frac{1}{4}\%$. As of March 31, 2007, there was approximately \$213,000 outstanding on this facility. Borrowings are collateralized by the equipment purchased.

**CVD EQUIPMENT CORPORATION AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 7: STOCK COMPENSATION EXPENSE

On January 1, 2006, the Company adopted the provisions of SFAS No. 123-R "Share-Based Payment" using the modified prospective method. SFAS No. 123-R requires companies to recognize the cost of employee services received in exchange for awards of equity instruments based upon the grant date fair value of those awards. Under the modified prospective method of adopting SFAS No. 123-R, the Company recognized compensation cost for all share-based payments granted after January 1, 2006, plus any awards granted to employees prior to January 1, 2006 that remain unvested at that time. Under this method of adoption, no restatement of prior periods is made.

During the three months ended March 31, 2007 and March 31, 2006, the Company recorded into selling and general administrative expense approximately \$42,000 and \$53,000 respectively for the cost of employee services received in exchange for equity instruments based on the grant-date fair value of those instruments in accordance with the provisions of SFAS No. 123-R.

NOTE 8: INCOME TAXES

The provision (benefit) for income taxes includes the following:

	Three Months Ended March 31, 2007 (Unaudited)
Current:	
Federal	\$ 108,921
State	<u>8,791</u>
Total Current Provision	117,712
Deferred:	
Federal	(73,677)
State	<u>15,615</u>
Total Deferred (Benefit)	<u>(58,062)</u>
	<u>\$ 59,650</u>

All of the Company's federal net operating loss (NOL'S) carry forwards of approximately \$40,000 have been utilized and \$276,000 of the Company's \$277,000 state net operating loss (NOL'S) carry forwards have been utilized through March 31, 2007. For the three months ended March 31, 2007, the Company recorded a current income tax expense of approximately \$118,000, which related to various federal, state and local taxes.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the consolidated financial statements and accompanying notes filed as part of this report.

Except for historical information contained herein, this "Management's Discussion and Analysis of Financial Condition and Results of Operations" contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, as amended. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. These forward-looking statements were based on various factors and were derived utilizing numerous important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements. Important assumptions and other factors that could cause actual results to differ materially from those in the forward-looking statements, include but are not limited to: competition in the Company's existing and potential future product lines of business; the Company's ability to obtain financing on acceptable terms if and when needed; uncertainty as to the Company's future profitability, uncertainty as to the future profitability of acquired businesses or product lines, uncertainty as to any future expansion of the Company. Other factors and assumptions not identified above were also involved in the derivation of these forward-looking statements and the failure of such assumptions to be realized as well as other factors may also cause actual results to differ materially from those projected. The Company assumes no obligation to update these forward looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

Results of Operations

Revenue for the three month period ended March 31, 2007 was \$3,811,277 compared to \$3,211,473 for the three month period ended March 31, 2006, an increase of 18.7% as the Company continues to experience an increasing demand for its products.

The Company generated a gross profit of approximately \$1,256,000 for a gross profit margin of 33.0% for the three months ended March 31, 2007 compared to a gross profit of approximately \$1,070,000 for a gross profit margin of 33.3% for the three months ended March 31, 2006.

Selling and shipping expenses for the three months ended March 31, 2007 and 2006 were \$278,310 and \$196,869 respectively, representing a 41.4% increase. This increase can be attributed primarily to a \$35,000 increase in trade show expenses in order to effectuate the Company's sales expansion program, and an increase in sales commissions.

The Company incurred approximately \$773,000 of general and administrative expenses during the quarter ended March 31, 2007, representing an increase of 7.7% or approximately \$55,000 compared to the approximately \$718,000 of general and administrative expenses incurred in the quarter ended March 31, 2006. This increase is a result of increased personnel as well as various increases in employee benefit costs, insurance, and energy costs.

As a result of the foregoing factors, operating income was \$204,000 for the three months ended March 31, 2007 an increase of 31.6% compared to \$155,000 for the same period one year ago.

Interest expense for the three months ended March 31, 2007 decreased by 5.6% to \$53,473 compared to \$56,647 during the three months ended March 31, 2006. Although the Company incurred higher operating costs during the current period, interest expenses were slightly lower as result of reduced borrowing by the Company.

Other income during the quarter ended March 31, 2007 was approximately \$5,000 compared to approximately \$75,000 for the corresponding period one year ago. This resulted from the receipt of \$70,000 during the quarter ended March 31, 2006 which was previously written off in 2004.

For the three months ended March 31, 2007, the Company recorded a current income tax expense of approximately \$118,000 that was reduced by the deferred tax benefit of \$58,000.

The Company reported net income of approximately \$96,000 for the current period compared to net income of approximately \$113,000 for the same period, one year ago. This decrease was primarily due to two factors: the receipt of \$70,000 during the 1st quarter 2006, which was previously written off in 2004; and an increase in expenses in the current quarter associated with the initiation of the Company's program, first discussed in the December 31, 2006 Form 10-K, to broaden the First Nano product line and pursue a significantly larger share of the R&D market.

Liquidity and Capital Resources

As of March 31, 2007, the Company had an aggregate working capital of approximately \$4,305,000 compared to \$4,151,000 at December 31, 2006 an increase of \$154,000. This increase was the result of the following: our net income, after adding back depreciation and amortization, increased working capital by approximately \$202,000. The increase in working capital also included approximately \$126,000 in net proceeds from stock option exercises and stock based compensation expense and \$140,000 from equipment loans. These increases were partially offset by an investment in equipment of \$197,000 along with changes in other current assets and liabilities of \$117,000.

Accounts receivable as of March 31, 2007 was \$1,956,018 compared to \$2,377,069 as of December 31, 2006. This decrease is attributable to the timing of shipments and customer payments.

As of March 31, 2007 the Company's backlog was approximately \$2,143,000, a decrease of \$1,422,000 or 40.0% compared to \$3,565,000 at December 31, 2006. Timing for completion of the backlog varies depending on the product mix, however, there is generally a one to six month lag in the completion and shipping of backlogged product. Backlog from quarter to quarter can vary based on the timing of order placements and shipments.

The Company has a revolving line of credit with a bank permitting it to borrow on a revolving basis amounts up to \$1,250,000 until June 1, 2007, at which time it will be subject to renewal. Interest is payable on any unpaid principal balance at the bank's prime rate plus $\frac{3}{4}$ of 1%. As of March 31, 2007, \$205,000 was outstanding on this facility. Borrowings are collateralized by the Company's assets.

The Company also has an equipment line of credit of \$250,000 with that same bank. The Company is permitted to borrow up to 100% of the purchase price of the equipment. The amount borrowed is immediately converted into a five year term loan at the bank's prime rate plus 1.25%. As of March 31, 2007, there was approximately \$213,000 outstanding on this facility. Borrowings are collateralized by the equipment purchased.

The Company believes that its cash, cash equivalents and available credit facilities will be sufficient to meet its working capital and investment requirements for the next twelve months. However, should we determine and allow our business to grow more aggressively, which may include making acquisitions, we may need to raise additional funding. For this reason, as well as other reasons that arise from time to time, we may consider raising capital through equity or debt financings. Any decision to raise additional capital, as well as the determination of the appropriate vehicle for doing so, will depend on market conditions, order levels, opportunities presented to us and other factors.

Item 3. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as required by Exchange Act Rule 13a-15, as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective to insure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms.

Changes in Internal Controls

There were no significant changes in the Company's internal controls over financial reporting that occurred during the three months ended March 31, 2007 that have materially affected, or are reasonably likely to materially affect, the internal controls over financial reporting.

Limitations on the Effectiveness of Controls

We believe that a control system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the control systems are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

CVD EQUIPMENT CORPORATION

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 Filed on Form 8-K

(a) Exhibits filed with this report:

31.1 Certification of Chief Executive Officer

31.2 Certification of Chief Financial Officer

32.1 Certification of Chief Executive Officer pursuant to U.S.C. Section 1350

32.2 Certification of Chief Financial Officer pursuant to U.S.C. Section 1350

(b) Reports on Form 8-K

None

SIGNATURES

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, this 14th day of May 2007.

CVD EQUIPMENT CORPORATION

By: /s/ Leonard A. Rosenbaum
Leonard A. Rosenbaum
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Glen R. Charles
Glen R. Charles
Chief Financial Officer
(Principal Financial and
Accounting Officer)

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
31.1	Certification of Chief Executive Officer *
31.2	Certification of Chief Financial Officer *
32.1	Certification of Chief Executive Officer pursuant to U.S.C. Section 1350 *
32.2	Certification of Chief Financial Officer pursuant to U.S.C. Section 1350 *

* Filed herewith

**Certifications of Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Leonard A. Rosenbaum, the principal executive officer of CVD Equipment Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CVD Equipment Corporation;
2. Based upon my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based upon my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Intentionally omitted.
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 14, 2007

/s/ Leonard A. Rosenbaum

President, Chief Executive Officer and Director

Exhibit 31.2

**Certifications of Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Glen R. Charles, the principal financial officer of CVD Equipment Corporation, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CVD Equipment Corporation;
2. Based upon my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based upon my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report.
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Intentionally omitted.
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrants' board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: May 14, 2007

/s/ Glen R. Charles

Chief Financial Officer

Certification of Principal Executive Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

I, Leonard A. Rosenbaum, President and Chief Executive Officer of CVD Equipment Corporation, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge, the quarterly report on Form 10-QSB for the period ending March 31, 2007 of CVD Equipment Corporation (the "Form 10-QSB") fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-QSB fairly presents, in all material respects, the financial condition and results of operations of CVD Equipment Corporation.

Dated: May 14, 2007 /s/ Leonard A. Rosenbaum
Leonard A. Rosenbaum
Chief Executive Officer
(Principal Executive Officer)

Certification of Principal Financial Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

I, Glen R. Charles, Chief Financial Officer of CVD Equipment Corporation, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge, the quarterly report on Form 10-QSB for the period ending March 31, 2007 of CVD Equipment Corporation (the "Form 10-QSB") fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 and the information contained in the Form 10-QSB fairly presents, in all material respects, the financial condition and results of operations of CVD Equipment Corporation.

Dated: May 14, 2007 /s/ Glen R. Charles
Glen R. Charles
Chief Financial Officer
(Principal Financial Officer)