
**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 1934**

Date of Report (date of earliest event reported): February 14, 2014

ELECTRO-SENSORS, INC.

(Exact name of Registrant as Specified in its Charter)

Minnesota

(State Or Other Jurisdiction Of Incorporation)

000-09587		41-0943459
(Commission File Number)		(I.R.S. Employer Identification No.)
6111 Blue Circle Drive Minnetonka, Minnesota		55343-9108
(Address Of Principal Executive Offices)		(Zip Code)

(952) 930-0100

Registrant's Telephone Number, Including Area Code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

The information required by this item is included below in Item 2.01, Completion of Acquisition or Disposition of Assets.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On February 14, 2014, Electro-Sensors, Inc. (the “Company”) entered into an Asset Purchase Agreement (“Agreement”) with Harvest Engineering Inc., a private Delaware corporation, and its affiliated parties and owners (“Harvest”). Prior to closing of the transaction, there were no material relationships between the Company and Harvest.

Under the Agreement, the Company purchased from Harvest the “Insta-Link” wireless hazard monitoring system and product family, together with related technology, intellectual property rights, and inventory.

The transaction closed on February 18, 2014.

The Company will market the wireless hazard monitoring products under its new **HazardPRO™** product line and manufacture and service these products at its Minnetonka, Minnesota facility.

The Company agreed to pay \$1.2 million for the product line and related assets, of which \$400,000 was paid at closing, and additional payments of \$400,000 will be paid on each of the first and second anniversary of the closing. Harvest may earn up to an additional \$550,000, depending upon the achievement of revenue measures during the four calendar years following the closing.

Item 9.01 Financial Statements and Exhibits

Exhibit 99.1	Electro-Sensors, Inc. Press Release dated February 18, 2014, announcing acquisition of Wireless Hazard Monitoring Product Line
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SIGNATURE

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

Date: February 19, 2014

ELECTRO-SENSORS, INC.

BY: /s/ David L. Klenk
David L. Klenk, Chief Executive
Officer and Chief Financial Officer

INDEX TO EXHIBITS FILED WITH THIS REPORT

Exhibit No.	Description
99.1	Press Release, dated February 18, 2014.

ELECTRO-SENSORS, INC. ACQUIRES WIRELESS HAZARD MONITORING PRODUCT LINE FROM HARVEST ENGINEERING INC.

Minnetonka, MN, February 18, 2014 – Electro-Sensors, Inc. (Nasdaq: ELSE) announced today it has acquired the advanced wireless hazard monitoring product line from Harvest Engineering Inc. (“Harvest”). Electro-Sensors will market and sell the new hazard monitoring products under its new **HazardPRO™** product line and manufacture and service them at its Minnetonka, Minnesota facility.

“The creation of the **HazardPRO™** product line will enable us to deliver best-in-class hazard monitoring systems built upon a field-proven wireless platform,” said David Klenk, President of Electro-Sensors. “This acquisition complements our existing hazard monitoring sensors and systems and expands our product line to include the most advanced hazard monitoring systems with a lower installed cost than traditional wire-based solutions. The combination of leading hazard monitoring technology, field-proven reliability, true remote access capabilities, and the lowest overall installed cost make this a market-leading product offering.”

“We’re excited that Electro-Sensors will be deploying this technology to markets where hazard monitoring is of critical importance,” said Bruce Meyer, President of Harvest Engineering. “With more than 45 years of experience serving these markets, Electro-Sensors has established distribution channels, technical competency, and customer support capabilities that are essential to effectively distribute this technology worldwide. Additionally, this transaction will enable Harvest to focus on developing its core business of designing new, highly-engineered products for the grain and feed market.”

The **HazardPRO™** wireless hazard monitoring product line contains a variety of configurations ideally suited for a wide range of applications, from single-point monitoring to large, highly-complex, multi-leg installations. In addition, it has been successfully installed and monitoring industrial processing facilities with hazardous environments for more than five years. During this time period, the products have proven to be easy-to-use, extremely reliable, simple-to-operate, and cost-effective.

Under the agreement, Harvest received \$400,000 at closing, and will receive an additional \$400,000 on each of the first and second anniversary of closing. Additionally, Harvest may earn up to an additional \$550,000, contingent upon the achievement of certain performance measures. The Company believes the acquisition will be accretive to quarterly GAAP earnings per share beginning in the second quarter of 2015.

About Electro-Sensors, Inc.

Electro-Sensors, Inc. designs and manufactures the most rugged and reliable machine monitoring sensors and hazard monitoring systems for industrial applications. Since 1968 we have been utilizing leading-edge technology to continuously improve our products making them easy-to-use and designed to last for many years of accurate service. Our products improve processes by safeguarding systems, reducing downtime, and preventing waste. Most of our standard products ship within two days and have an industry-leading 5-year warranty. Electro-Sensors is proud to be an ISO9001:2008 quality certified company committed to providing excellent customer service and technical support.

Cautionary Statement Regarding Forward Looking Statements

This press release includes statements about possible or anticipated future financial performance, business activities or plans. These forward-looking statements may include the words “believes,”

“expects,” “anticipates,” “intends” or similar expressions. For these forward-looking statements, the Company claims the protection of the safe harbor for forward-looking statements contained in federal securities laws. These forward-looking statements are subject to a number of factors, risks and uncertainties, including those disclosed in our periodic filings with the SEC, that could cause actual performance, activities or plans after the date the statements are made to differ significantly from those indicated in the forward-looking statements.

In addition, the forward-looking statements in this press release depend upon our ability to successfully integrate and manufacture the advanced wireless hazard monitoring product line, sell it under the **HazardPRO**[™] trade name, and continue to develop new products using the advanced wireless hazard technology.

HazardPRO[™] is a trademark of Electro-Sensors, Inc.