

Edgar Filing: PARADISE INC - Form 10QSB

PARADISE INC  
Form 10QSB  
August 14, 2007

FORM 10 - QSB

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

(X) Quarterly report pursuant to section 13 or 15(d) of the Securities Act of 1934.

For the quarterly period ended June 30, 2007

or

( ) Transition report pursuant to section 13 or 15(d) of the Securities Act of 1934.

Commission File No. 0-3026

PARADISE, INC.

INCORPORATED IN FLORIDA  
I.R.S. EMPLOYER IDENTIFICATION NO. 59-1007583

1200 DR. MARTIN LUTHER KING, JR. BLVD.,  
PLANT CITY, FLORIDA 33566

(813) 752-1155

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 and 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  
    ---      ---.

The number of shares outstanding of each of the issuer's classes of common stock:

Class -----	Outstanding as of June 30, -----	
	2007 ----	2006 ----
Common Stock \$0.30 Par Value	519,350 Shares	519,350 Shares

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes      No x  
    ---      ---

Transitional Small Business Disclosure Format (check one): Yes      No x

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PARADISE, INC.

COMMISSION FILE NO. 0-3026

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PARADISE, INC. AND SUBSIDIARIES  
 CONSOLIDATED BALANCE SHEETS  
 (UNAUDITED)

	AS OF JUNE 30,	
	2007	2006
	----	----
ASSETS		
-----		
CURRENT ASSETS:		
Cash and Unrestricted		
Demand Deposits	\$ 26,188	\$ 21,319
Accounts and Notes		
Receivable, Less		
Allowances of \$-0-		
(2007 and 2006)	933,673	1,189,760
Inventories:		
Raw Materials	3,580,637	4,410,421
Work in Process	534,508	341,485
Finished Goods	8,420,041	8,640,902
Deferred Income Tax Asset	391,185	175,932
Income Tax Refund		
Receivable		29,653
Prepaid Expenses and Other		
Current Assets	723,354	717,527
	-----	-----
TOTAL CURRENT ASSETS	14,609,586	15,526,999
Property, Plant and Equipment,		
Less Accumulated Depreciation		
of \$15,847,261 (2007) and		
\$15,098,103 (2006)	5,782,457	6,256,501
Deferred Charges and Other		
Assets	411,054	395,929
Goodwill	413,280	413,280
Intangible Assets - Net	1,132,115	1,299,000
	-----	-----
TOTAL ASSETS	\$ 22,348,492	\$ 23,891,709
	=====	=====

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See Accompanying Notes to these Consolidated Financial Statements (Unaudited)  
LIABILITIES AND STOCKHOLDERS' EQUITY

	AS OF JUNE 30,	
	2007	2006
	----	----
CURRENT LIABILITIES:		
Notes and Trade Acceptances Payable	\$ 1,362,126	\$ 2,977,064
Current Portion of Long-Term Debt	610,679	200,268
Accounts Payable	2,611,220	2,594,017
Accrued Liabilities	1,284,937	996,860
	-----	-----
Total Current Liabilities	5,868,962	6,768,209
LONG-TERM DEBT, NET OF CURRENT PORTION	754,405	1,372,541
DEFERRED INCOME TAX LIABILITY	352,595	431,784
	-----	-----
Total Liabilities	6,975,962	8,572,534
	-----	-----
STOCKHOLDERS' EQUITY:		
Common Stock: \$.30 Par Value, 2,000,000 Shares Authorized, 583,094 Shares Issued, 519,350 Shares Outstanding	174,928	174,928
Capital in Excess of Par Value	1,288,793	1,288,793
Retained Earnings	14,501,395	14,170,511
Unrealized Holding Gain (Loss) on Securities	( 29,768 )	( 38,138 )
Accumulated Other Comprehensive Income (Loss)	( 285,899 )	
Treasury Stock, at Cost, 63,744 Shares	( 276,919 )	( 276,919 )
	-----	-----
Total Stockholders' Equity	15,372,530	15,319,175
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 22,348,492	\$ 23,891,709
	=====	=====

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See Accompanying Notes to these Consolidated Financial Statements (Unaudited)

PARADISE, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
(UNAUDITED)

	FOR THE THREE MONTHS ENDED	
	-----	
	JUNE 30	
	-----	
	2007	2006
	----	----
Net Sales	\$ 2,121,437	\$ 2,372,321
	-----	-----
Costs and Expenses:		
Cost of Goods Sold		
(excluding Depreciation)	1,194,138	1,334,074
Selling, General and		
Administrative Expense	817,175	925,642
Depreciation and Amortization	220,810	219,315
Interest Expense	41,463	25,824
	-----	-----
Total Costs and Expenses	2,273,586	2,504,855
	-----	-----
Loss from Operations	( 152,149 )	( 132,534 )
Other Income	31,712	10,708
	-----	-----
Loss from Operations Before		
Provision for Income Taxes	( 120,437 )	( 121,826 )
Provision for Income Taxes	0	0
	-----	-----
Net Loss	\$ ( 120,437 )	\$ ( 121,826 )
	=====	=====
Net Loss per Common Share	\$ ( 0.23 )	\$ ( 0.23 )
	=====	=====

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See Accompanying Notes to these Consolidated Financial Statements (Unaudited)

PARADISE, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
(UNAUDITED)

	FOR THE SIX MONTHS ENDED	
	JUNE 30	
	2007	2006
Net Sales	\$ 4,986,894	\$ 5,036,940
Costs and Expenses:		
Cost of Goods Sold		
(excluding Depreciation)	3,430,170	3,439,399
Selling, General and		
Administrative Expense	1,713,385	1,796,219
Depreciation and Amortization	448,033	428,411
Interest Expense	68,252	39,177
Total Costs and Expenses	5,659,840	5,703,206
Loss from Operations	( 672,946 )	( 666,266 )
Other Income	73,285	37,733
Loss from Operations Before		
Provision for Income Taxes	( 599,661 )	( 628,533 )
Provision for Income Taxes	0	0
Net Loss	\$ ( 599,661 )	\$ ( 628,533 )
Net Loss per Common Share	\$ ( 1.15 )	\$ ( 1.21 )

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See Accompanying Notes to these Consolidated Financial Statements (Unaudited)

PARADISE, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(UNAUDITED)

	FOR THE SIX MONTHS ENDED	
	JUNE 30,	
	2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Loss	\$( 599,661 )	\$( 628,533 )
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:		
Depreciation and Amortization	448,033	428,412
Decrease (Increase) in:		
Accounts Receivable	( 291,999 )	895,273
Inventories	( 6,101,784 )	( 7,315,395 )
Prepaid Expenses	( 225,789 )	( 390,869 )
Other Assets	63,748	29,078
Income Tax Receivable		( 29,653 )
Increase (Decrease) in:		
Accounts Payable	1,551,184	2,023,473
Accrued Expense	( 993,258 )	( 711,877 )
	-----	-----
Net Cash Used in Operating Activities	( 6,149,526 )	( 5,700,091 )
	-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of Property and Equipment	( 184,897 )	( 694,960 )
Cash Paid in Connection with Acquisition of Customer Base and Non-Compete Agreement with Unrelated Entity		( 425,000 )
	-----	-----
Net Cash Used in Investing Activities	( 184,897 )	( 1,119,960 )
	-----	-----
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net Proceeds (Repayments) of Short-Term Debt	1,241,585	2,966,279
Principal Payments of Long-Term Debt	( 99,424 )	( 116,890 )
Dividends Paid	( 51,935 )	( 77,903 )
	-----	-----

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Net Cash Provided by Financing Activities	1,089,456 -----	2,771,486 -----
Net Decrease in Cash	( 5,244,967 )	( 4,048,565 )
CASH AT BEGINNING OF PERIOD	5,271,385 -----	4,069,884 -----
CASH AT END OF PERIOD	\$ 26,188 =====	\$ 21,319 =====
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for:		
Interest	\$ 37,702	\$ 39,177
Income Tax	299,837 -----	320,000 -----
Net Supplemental Cash Flows	\$ 337,539 =====	\$ 359,177 =====
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Customer List and Non-Compete Agreement Acquired in Connection with Unrelated Entity and Related Note Payable		
	\$ =====	\$ 833,850 =====

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See Accompanying Notes to these Consolidated Financial Statements (Unaudited)

PARADISE, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)

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Note 1      Basis of Presentation

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The accompanying unaudited consolidated financial statements of Paradise, Inc. (the "Company") have been prepared by the Company in accordance with generally accepted accounting principles for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for annual financial statements.

The information furnished herein reflects all adjustments and accruals that management believes is necessary to fairly state the operating results for the respective periods. The notes to the financial statements should be read in conjunction with the notes to the consolidated financial statements contained in the Company's Form 10-KSB for the year ended December 31, 2006. The Company's management believes that the disclosures are sufficient for interim financial reporting purposes.

Note 2      Net Income (Loss) per Share

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Net income (loss) per share, assuming no dilution, are based on the weighted average number of shares outstanding during the period: 519,350 (2007 and 2006).

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### Note 3 Business Segment Data

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The Company's operations are conducted through two business segments. These segments, and the primary operations of each, are as follows:

Business Segment	Operation	
Candied Fruit	Production of candied fruit, a basic fruitcake ingredient, sold to manufacturing bakers, institutional users, and retailers for use in home baking. Also, the processing of frozen strawberry products, for sale to commercial and institutional users such as preservers, dairies, drink manufacturers, etc.	
Molded Plastics	Production of plastics containers and other molded plastics for sale to various food processors and others.	
	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006

### Net Sales in Each Segment

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Candied Fruit:		
Sales to Unaffiliated Customers	\$ 1,127,417	\$ 985,949
Molded Plastics:		
Sales to Unaffiliated Customers	3,859,477	4,050,991
Net Sales	\$ 4,986,894	\$ 5,036,940

For the six month period ended June 30, 2007 and 2006, sales of frozen strawberry products totaled \$329,961 and \$244,599 respectively.

The Company does not account for intersegment transfers as if the transfers were to third parties.

The Company does not prepare operating profit or loss information on a segment basis for internal use, until the end of each year. Due to the seasonal nature of the fruit segment management believes that it is not practical to prepare this information for interim reporting purposes. Therefore, reporting is not required by generally accepted accounting principles.

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	Six Months Ended June 30, 2007 -----	Six Months Ended June 30, 2006 -----
Identifiable Assets of Each Segment are Listed Below -----		
Candied Fruit	\$ 14,506,488	\$ 14,661,406
Molded Plastics	5,144,085 -----	6,728,219 -----
Identifiable Assets	19,650,573	21,389,625
General Corporate Assets	2,697,919 -----	2,502,084 -----
Total Assets	\$ 22,348,492 =====	\$ 23,891,709 =====

Identifiable assets by segment are those assets that are principally used in the operations of each segment. General corporate assets are principally cash, land and buildings, and investments.

Note 4 Retirement Plan  
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As discussed in the 10-KSB for the year ended December 31, 2006, the Company elected to freeze the pension plan benefit accruals effective November 30, 2006. The Company has filed with the appropriate regulators and will terminate the plan in 2007 once approvals have been given. The Company has treated the action as a curtailment as no further benefits have accrued after November 30, 2006.

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

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#### Forward-Looking Statements

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This Quarterly Report on Form 10-QSB contains "forward-looking Statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact should be considered "forward-looking statements" for purpose of these provisions, including statements that include projections of, or expectations about, earnings, revenues or other financial items, statements about our plans and objectives for future operations, statements concerning proposed new products or services, statements regarding future economic conditions or performance, statements concerning our expectations regarding the attraction and retention of customers, statements about market risk and statements underlying any of the foregoing. In some cases, forward-looking statements can be identified by the use of such terminology as "may", "will", "expects", "potential", or "continue", or the negative thereof or other similar words. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we can give no assurance that such expectations or any of our forward-looking statements will prove to be correct. Actual results and developments are likely to be different from, and may be materially different from, those expressed or implied by our forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties.

#### Overview

-----

The Company's core business, glace' (candied) fruit, which accounted for approximately 70% of total annual net sales during 2006, is highly seasonal. That is because the products are utilized primarily as ingredients for fruitcakes and other winter holiday confections, and nearly 85% of the annual shipments in that segment of business are made during an eight to ten week period, beginning in early September. However, in order to make timely deliveries during this period of peak demand, Paradise, Inc. must manufacture, package and store products throughout the year, building large inventories, and accruing expenses against which there is little offsetting income. The recording of substantial losses is common well into the fourth quarter, even during the most profitable years. Therefore, it is the opinion of management that only a full year's financial reporting will yield a meaningful measure of the Company's performance.

Manufacturing activity varies greatly from quarter to quarter and from year to year, depending on seasonal harvests and availability of raw materials, anticipated orders and other factors. A comparison of the current quarter with that immediately preceding or the similar quarter during the past year yields little useful information, so "Management's Discussion" is confined to data from the current year-to-date as compared to the like period during the preceding year.

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The Company's other business segment, Paradise Plastics, Inc., a wholly owned subsidiary of Paradise, Inc., producing custom molding products, does not have the extreme seasonal variations as experienced in the fruit segment. This segment initially developed to provide in-house packaging capabilities for the sale of glace' (candied) fruit products, represented 30% of the Company's total consolidated annual net sales to unaffiliated customers during the past year.

### The First Six Months

-----

Paradise, Inc.'s fruit segment net sales, which are highly seasonal, increased 14.3% for the first six months of 2007 compared to the similar reporting period of 2006. Positive growth can be attributable to the following two reasons. First, bulk fruit sales orders received and shipped to supermarkets and manufacturing bakers increased by 10.0% compared to the prior year's reporting period. Secondly, frozen strawberry products processed directly for a Central Florida re-seller, for which Paradise, Inc. receives a tolling fee, increased due to favorable weather conditions. Strawberry net sales totaled \$329,961 year-to-date compared to \$244,599 for the similar reporting period of 2006.

Paradise Plastics, Inc.'s net sales, to unaffiliated customers, for the first six months of 2007 decreased 4.7% compared to the similar reporting period of 2006. This decrease is attributable to the decline to customer re-orders related to the housing market as concerns regarding rising interest rates and the overall strength of the mortgage lending industry continue to persist.

Overall cost of sales, as a percentage of net sales, remained flat during the first six months of 2007 compared to the similar reporting period of 2006 as management was successful in maintaining gross margins on the sale of Paradise Plastics, Inc.'s custom molding products. This has been accomplished as rising energy costs continue to result in higher prices absorbed from the Company's supplier of plastics resins.

Fruit segment cost of sales has been affected by rising energy prices as demand for alternative sources of fuel has led to a steady increase in the price of corn syrup, a key ingredient used during the processing phase of building the Company's glace' fruit inventory. However, with just slightly more than 50% of the production cycle completed as of the date of this filing, it is too early to forecast what impact fluctuating energy prices will have on the fruit segment's cost of sales for 2007.

Selling, general & administrative expenses decreased by \$82,834 or 4.6% compared to the similar reporting period of 2006. This decrease was achieved as professional fees incurred for additional computer system safeguards and increased networking capabilities were offset by continued savings received from the relocation of Mastercraft Products Corporation to Plant City, Florida. As mentioned in previous filings, Mastercraft's operations, including all sales and administrative functions, were successfully consolidated into Paradise Plastics, Inc.'s operations during the spring of 2006.

Depreciation and amortization expenses increased \$19,622 or 4.6% for the first six months of 2007 compared to the similar period of 2006.

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The increase is due to the commencement of amortization expense associated with the Company's decision to purchase an unrelated entity's glace' fruit inventory, customer list and a non-compete agreement signed during June, 2006. Disclosure of this information is presented in previous quarterly filings as well as in last year's annual 10-KSB.

Interest expense for the first six months of 2007 increased \$29,075 compared to the similar reporting period of 2006 as Paradise, Inc. continued to accrue interest in accordance with the financial terms to purchase the assets disclosed in the above paragraph. Interest expense from short-term borrowings needed to finance the Company's glace' fruit inventory remained at less than 1% of total net sales as of June 30, 2007.

### Summary

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Paradise Plastics, Inc.'s net sales decreased \$191,514 or 4.7% for the first six months of 2007 compared to the similar period of 2006. This decrease is primarily related to a decline in re-orders from existing long-term customers concerned with the recent slowdown in the housing market.

Paradise, Inc.'s fruit segment net sales increased \$141,468 or 14.3% compared to the previous year's reporting period primarily as favorable weather conditions allowed for increased production of various strawberry products on behalf of a Central Florida re-seller. However, with more than 95% of anticipated retail glace' fruit net sales for 2007 yet to be realized, no reasonable forecast of operating results can be determined at this time. Only a full year's accounting will determine the Company's overall financial performance.

### ITEM 3. Controls and Procedures

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The Company's Chief Executive Officer and Chief Financial Officer have, within 90 days of the filing date of this quarterly report, evaluated the Company's disclosure controls and procedures. Based on their evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the applicable Securities and Exchange Commission rules and forms. There were no significant changes in the Company's internal controls or in other factors that could significantly affect these controls subsequent to the date of the most recent evaluation of these controls by the Company's Chief Executive Officer and Chief Financial Officer. No significant deficiencies or material weaknesses in the Company's internal controls were identified therefore no corrective actions were taken.

### PART II. OTHER INFORMATION

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Item 1. Legal Proceedings - N/A

Item 2. Changes in Securities - N/A

Item 3. Defaults Upon Senior Securities - N/A

Item 4. Submission of Matters to a Vote of Security Holders

The annual meeting of the shareholders of Paradise, Inc. was held on May 29, 2007. The purpose of this meeting was to elect five directors to hold office until the next annual meeting of shareholders and to ratify the reappointment of Bella, Hermida, Gillman, Hancock & Mueller as the Company's independent certified public accountants for 2007.

The results of the election of Directors are as follows:

Nominee -----	Votes for -----	Votes Withheld -----
Melvin S. Gordon	426,961	64,154
Randy S. Gordon	426,973	64,154
Tracy W. Schulis	427,973	63,142
Mark H. Gordon	452,938	38,177
Eugene L. Weiner	437,521	53,594

The results of the ratification of Bella, Hermida, Gillman, Hancock & Mueller as the Company's independent accountants for 2007 are as follows:

For ---	Against -----	Abstain -----
455,108	9,792	26,215

Item 5. Other Information - N/A

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Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

Exhibit Number -----	Description -----
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K.

None.

SIGNATURES  
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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.

PARADISE, INC.  
A Florida Corporation

/s/ Melvin S. Gordon                      Date: August 14, 2007  
-----

Melvin S. Gordon  
Chief Executive Officer and Chairman

/s/ Jack M. Laskowitz                      Date: August 14, 2007  
-----

Jack M. Laskowitz  
Chief Financial Officer and Treasurer

Exhibit 31.1

Sarbanes-Oxley Section 302  
Certification of Chief Executive Officer

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-----  
I, Melvin S. Gordon, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Paradise, Inc.
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this quarterly report;
4. The small business issuer'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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer 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 small business issuer, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the small business issuer'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 small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors

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(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 small business issuer'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 small business issuer's internal control over financial reporting.

Date: August 14, 2007

/s/ Melvin S. Gordon

-----  
Melvin S. Gordon  
Chief Executive Officer and Chairman

Exhibit 31.2

Sarbanes-Oxley Section 302  
Certification of Chief Financial Officer

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-----  
I, Jack M. Laskowitz, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Paradise, Inc.
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this quarterly report;
4. The small business issuer'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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer 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 small business issuer, 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the small business issuer'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 small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors

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(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 small business issuer'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 small business issuer's internal control over financial reporting.

Date: August 14, 2007

/s/ Jack M. Laskowitz

-----  
Jack M. Laskowitz  
Chief Financial Officer and Treasurer

Exhibit 32.1  
Certification of CEO and CFO Pursuant to  
18 U.S.C. Section 1350 as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002  
-----

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In connection with the Quarterly Report of Paradise, Inc. on Form 10-QSB for the period ending June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Melvin S. Gordon, as Chief Executive Officer of Paradise, Inc., certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of Paradise, Inc.

/s/ Melvin S. Gordon                      Date: August 14, 2007  
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Melvin S. Gordon  
Chief Executive Officer and Chairman

Exhibit 32.2

Certification of CEO and CFO Pursuant to  
18 U.S.C. Section 1350 as Adopted Pursuant to

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Section 906 of the Sarbanes-Oxley Act of 2002  
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In connection with the Quarterly Report of Paradise, Inc. on Form 10-QSB for the period ending June 30, 2007 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jack M. Laskowitz, as Chief Financial Officer of Paradise, Inc., certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of Paradise, Inc.

/s/ Jack M. Laskowitz  
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Date: August 14, 2007

Jack M. Laskowitz  
Chief Financial Officer and Treasurer