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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2020

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: 1-4018

DOVER CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**53-0257888**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3005 Highland Parkway **Downers Grove, Illinois**	**60515**
(Address of principal executive offices)	(Zip Code)

(630) 541-1540
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	DOV	New York Stock Exchange
1.250% Notes due 2026	DOV 26	New York Stock Exchange
0.750% Notes due 2027	DOV 27	New York Stock Exchange

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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12-b-2 of the Exchange Act.

Large Accelerated Filer	☑	Accelerated Filer	☐	Emerging Growth Company	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

The number of shares outstanding of the Registrant's common stock as of October 13, 2020 was 144,103,299.

Dover Corporation
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Item 1. Financial Statements

DOVER CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Revenue	$ 1,748,256	$ 1,825,345	$ 4,903,370	$ 5,360,808
Cost of goods and services	1,089,527	1,151,857	3,080,800	3,391,185
Gross profit	658,729	673,488	1,822,570	1,969,623
Selling, general and administrative expenses	381,831	390,775	1,135,512	1,195,875
Loss on assets held for sale	—	—	—	46,946
Operating earnings	276,898	282,713	687,058	726,802
Interest expense	27,724	31,410	83,703	94,972
Interest income	(960)	(1,263)	(2,871)	(3,098)
Loss (gain) on sale of a business	557	—	(5,213)	—
Other income, net	(1,420)	(5,364)	(9,887)	(11,059)
Earnings before provision for income taxes	250,997	257,930	621,326	645,987
Provision for income taxes	50,697	51,924	119,981	136,191
Net earnings	$ 200,300	$ 206,006	$ 501,345	$ 509,796
Net earnings per share:				
Basic	$ 1.39	$ 1.42	$ 3.48	$ 3.51
Diluted	$ 1.38	$ 1.40	$ 3.45	$ 3.47
Weighted average shares outstanding:				
Basic	144,032	145,372	144,082	145,276
Diluted	145,289	147,051	145,313	147,053

See Notes to Condensed Consolidated Financial Statements

DOVER CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Net earnings	$ 200,300	$ 206,006	$ 501,345	$ 509,796
Other comprehensive earnings (loss), net of tax				
Foreign currency translation adjustments:				
Foreign currency translation gains (losses)	29,271	(50,865)	(19,714)	(41,143)
Reclassification of foreign currency translation losses to earnings	—	—	—	25,339
Total foreign currency translation adjustments	29,271	(50,865)	(19,714)	(15,804)
Pension and other post-retirement benefit plans:				
Amortization of actuarial losses included in net periodic pension cost	1,881	127	5,385	379
Amortization of prior service costs included in net periodic pension cost	250	539	794	1,623
Total pension and other post-retirement benefit plans	2,131	666	6,179	2,002
Changes in fair value of cash flow hedges:				
Unrealized net (losses) gains arising during period	(278)	545	(3,472)	(223)
Net (gains) losses reclassified into earnings	(210)	577	318	(69)
Total cash flow hedges	(488)	1,122	(3,154)	(292)
Other comprehensive earnings (loss), net of tax	30,914	(49,077)	(16,689)	(14,094)
Comprehensive earnings	$ 231,214	$ 156,929	$ 484,656	$ 495,702

See Notes to Condensed Consolidated Financial Statements

DOVER CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	September 30, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 427,501	$ 397,253
Receivables, net of allowances of $40,393 and $29,381	1,203,429	1,217,190
Inventories	838,539	806,141
Prepaid and other current assets	135,515	127,846
Total current assets	2,604,984	2,548,430
Property, plant and equipment, net	879,620	842,318
Goodwill	3,966,890	3,783,347
Intangible assets, net	1,065,815	1,055,014
Other assets and deferred charges	468,662	440,368
Total assets	$ 8,985,971	$ 8,669,477
Liabilities and Stockholders' Equity		
Current liabilities:		
Notes payable	$ 90,500	$ 84,700
Accounts payable	899,814	983,293
Accrued compensation and employee benefits	224,016	226,658
Accrued insurance	106,221	98,432
Other accrued expenses	434,621	339,060
Federal and other income taxes	11,199	17,748
Total current liabilities	1,766,371	1,749,891
Long-term debt	3,047,216	2,985,716
Deferred income taxes	304,688	322,036
Noncurrent income tax payable	47,964	52,000
Other liabilities	573,311	527,174
Stockholders' equity:		
Total stockholders' equity	3,246,421	3,032,660
Total liabilities and stockholders' equity	$ 8,985,971	$ 8,669,477

See Notes to Condensed Consolidated Financial Statements

DOVER CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data)
(Unaudited)

	Common stock $1 par value	Additional paid-in capital	Treasury stock	Retained earnings	Accumulated other comprehensive (loss) earnings	Total stockholders' equity
Balance at June 30, 2020	$ 258,768	$ 869,526	$ (6,143,758)	$ 8,368,620	$ (263,629)	$ 3,089,527
Net earnings	—	—	—	200,300	—	200,300
Dividends paid ($0.495 per share)	—	—	—	(71,458)	—	(71,458)
Common stock issued for the exercise of share-based awards	125	(10,358)	—	—	—	(10,233)
Stock-based compensation expense	—	7,371	—	—	—	7,371
Other comprehensive earnings, net of tax	—	—	—	—	30,914	30,914
Balance at September 30, 2020	$ 258,893	$ 866,539	$ (6,143,758)	$ 8,497,462	$ (232,715)	$ 3,246,421

	Common stock $1 par value	Additional paid-in capital	Treasury stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at June 30, 2019	$ 258,315	$ 873,034	$ (5,947,562)	$ 7,979,597	$ (208,113)	$ 2,955,271
Net earnings	—	—	—	206,006	—	206,006
Dividends paid ($0.49 per share)	—	—	—	(71,342)	—	(71,342)
Common stock issued for the exercise of share-based awards	111	(7,913)	—	—	—	(7,802)
Stock-based compensation expense	—	7,876	—	—	—	7,876
Common stock acquired	—	—	(23,280)	—	—	(23,280)
Other comprehensive loss, net of tax	—	—	—	—	(49,077)	(49,077)
Other, net	—	(8)	—	(1)	—	(9)
Balance at September 30, 2019	$ 258,426	$ 872,989	$ (5,970,842)	$ 8,114,260	$ (257,190)	$ 3,017,643

See Notes to Condensed Consolidated Financial Statements

DOVER CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data)
(Unaudited)

	Common stock $1 par value	Additional paid-in capital	Treasury stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at December 31, 2019	$ 258,552	$ 869,719	$ (6,090,842)	$ 8,211,257	$ (216,026)	$ 3,032,660
Adoption of ASU 2016-13	—	—	—	(2,112)	—	(2,112)
Net earnings	—	—	—	501,345	—	501,345
Dividends paid ($1.475 per share)	—	—	—	(213,028)	—	(213,028)
Common stock issued for the exercise of share-based awards	341	(21,791)	—	—	—	(21,450)
Stock-based compensation expense	—	15,591	—	—	—	15,591
Common stock acquired	—	—	(52,916)	—	—	(52,916)
Other comprehensive loss, net of tax	—	—	—	—	(16,689)	(16,689)
Other, net	—	3,020	—	—	—	3,020
Balance at September 30, 2020	$ 258,893	$ 866,539	$ (6,143,758)	$ 8,497,462	$ (232,715)	$ 3,246,421

	Common stock $1 par value	Additional paid-in capital	Treasury stock	Retained earnings	Accumulated other comprehensive loss	Total stockholders' equity
Balance at December 31, 2018	$ 257,822	$ 886,016	$ (5,947,562)	$ 7,815,486	$ (243,096)	$ 2,768,666
Net earnings	—	—	—	509,796	—	509,796
Dividends paid ($1.45 per share)	—	—	—	(211,072)	—	(211,072)
Common stock issued for the exercise of share-based awards	604	(29,615)	—	—	—	(29,011)
Stock-based compensation expense	—	24,493	—	—	—	24,493
Common stock acquired	—	—	(23,280)	—	—	(23,280)
Other comprehensive loss, net of tax	—	—	—	—	(14,094)	(14,094)
Other, net	—	(7,905)	—	50	—	(7,855)
Balance at September 30, 2019	$ 258,426	$ 872,989	$ (5,970,842)	$ 8,114,260	$ (257,190)	$ 3,017,643

See Notes to Condensed Consolidated Financial Statements

DOVER CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2020	**2019**
Operating Activities:		
Net earnings	$ 501,345	$ 509,796
Adjustments to reconcile net earnings to cash from operating activities:		
Loss on assets held for sale	—	46,946
Depreciation and amortization	205,844	202,294
Stock-based compensation expense	15,591	24,493
Gain on sale of a business	(5,213)	—
Other, net	(7,731)	(6,107)
Cash effect of changes in assets and liabilities:		
Accounts receivable, net	31,631	(67,603)
Inventories	(19,360)	(74,412)
Prepaid expenses and other assets	(24,198)	(29,336)
Accounts payable	(92,071)	(3,875)
Accrued compensation and employee benefits	(13,136)	(5,908)
Accrued expenses and other liabilities	118,779	(3,833)
Accrued and deferred taxes, net	(24,562)	(8,357)
Net cash provided by operating activities	686,919	584,098
Investing Activities:		
Additions to property, plant and equipment	(123,564)	(137,276)
Acquisitions, net of cash acquired	(258,674)	(215,687)
Proceeds from sale of property, plant and equipment	5,090	2,838
Proceeds from sale of businesses	15,400	24,218
Other	(1,250)	(10,150)
Net cash used in investing activities	(362,998)	(336,057)
Financing Activities:		
Repurchase of common stock	(52,916)	(23,280)
Change in notes payable	5,811	(37,650)
Dividends paid to stockholders	(213,028)	(211,072)
Payments to settle employee tax obligations on exercise of share-based awards	(21,450)	(29,011)
Other	(1,753)	(1,417)
Net cash used in financing activities	(283,336)	(302,430)
Effect of exchange rate changes on cash and cash equivalents	(10,337)	(1,300)
Net increase (decrease) in cash and cash equivalents	30,248	(55,689)
Cash and cash equivalents at beginning of period	397,253	396,221
Cash and cash equivalents at end of period	$ 427,501	$ 340,532

See Notes to Condensed Consolidated Financial Statements

DOVER CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

1. Basis of Presentation

The accompanying unaudited interim Condensed Consolidated Financial Statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for interim periods and do not include all of the information and note disclosures required by accounting principles generally accepted in the United States of America ("GAAP") for complete financial statements. These unaudited interim Condensed Consolidated Financial Statements should therefore be read in conjunction with the Consolidated Financial Statements and Notes for Dover Corporation ("Dover" or the "Company") for the year ended December 31, 2019, included in the Company's Annual Report on Form 10-K filed with the SEC on February 14, 2020. The year end Condensed Consolidated Balance Sheet was derived from audited financial statements. Certain amounts in the prior periods have been reclassified to conform to the current year presentation.

The accompanying unaudited interim Condensed Consolidated Financial Statements have been prepared in accordance with U.S. GAAP, which requires management to make estimates and assumptions that affect amounts reported in the Condensed Consolidated Financial Statements and accompanying disclosures. Although these estimates are based on management’s best knowledge of current events and actions that the Company may undertake in the future, actual results may differ from those estimates. The Condensed Consolidated Financial Statements reflect all adjustments of a normal, recurring nature that are, in the opinion of management, necessary for a fair statement of results for these interim periods. The results of operations of any interim period are not necessarily indicative of the results of operations for the full year.

2. Revenue

A majority of the Company’s revenue is short cycle in nature with shipments within one year from order. A small portion of the Company’s revenue derives from contracts extending over one year. The Company's payment terms generally range between 30 to 90 days and vary by the location of businesses, the type of products manufactured to be sold and the volume of products sold, among other factors.

Over 95% of the Company’s performance obligations are recognized at a point in time that relate to the manufacture and sale of a broad range of products and components. Revenue is recognized when control transfers to the customer upon shipment or completion of installation, testing, certification, or other substantive acceptance provisions required under the contract. Less than 5% of the Company’s revenue is recognized over time and generally relates to the sale of services or engineered to order equipment that have no alternative use and in which the contract specifies the Company has a right to payment for its costs, plus a reasonable margin.

Revenue from contracts with customers is disaggregated by segments and geographic location, as it best depicts the nature and amount of the Company’s revenue. See Note 17 — Segment Information for revenue by segment and geographic locations.

At September 30, 2020, we estimated that $269 million in revenue is expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period. We expect to recognize approximately 66% of our unsatisfied (or partially unsatisfied) performance obligations as revenue through 2021, with the remaining balance to be recognized in 2022 and thereafter.

The following table provides information about contract assets and contract liabilities from contracts with customers:

	September 30, 2020	December 31, 2019	January 1, 2019
Contract assets	$ 20,070	$ 14,894	$ 9,330
Contract liabilities - current	113,179	44,001	36,461
Contract liabilities - non-current	13,660	9,121	9,382

The revenue recognized during the nine months ended September 30, 2020 and 2019 that was included in contract liabilities at the beginning of the period amounted to $31,561 and $25,977, respectively.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

3. Acquisitions

2020 Acquisitions

During the nine months ended September 30, 2020, the Company acquired five businesses in separate transactions for total consideration of $258,674, net of cash acquired. These businesses were acquired to complement and expand upon existing operations within the Imaging & Identification, Engineered Products, and Pumps & Process Solutions segments. The goodwill recorded as a result of these acquisitions represents the economic benefits expected to be derived from product line expansions and operational synergies. Goodwill in the amount of $33,183 is deductible for income tax purposes and goodwill in the amount of $124,691 is non-deductible for income tax purposes for these acquisitions.

On August 20, 2020, the Company acquired 100% of the voting stock of Solaris Laser S.A. ("Solaris"), a global manufacturer of product identification and traceability solutions for $18,605, net of cash acquired. The Solaris acquisition enhances the Imaging & Identification segment's growing laser technology product line and further strengthens its position as a leading provider of marking and coding equipment and solutions. In connection with this acquisition, the Company recorded goodwill of $11,693 and intangible assets of $3,280, primarily related to unpatented technology.

On April 30, 2020, the Company acquired 100% of the voting stock of Em-tec GmbH ("Em-tec"), a leading designer and manufacturer of flow measurement devices that serve a wide array of medical and biopharmaceutical applications for $30,396, net of cash acquired. The Em-tec acquisition further expands the Company's reach into biopharma and other hygienic applications and enhances its portfolio of flow control technologies within the Pumps & Process Solutions segment. In connection with this acquisition, the Company recorded goodwill of $19,572 and intangible assets of $8,344, primarily related to customer intangibles.

On February 18, 2020, the Company acquired 100% of the voting stock of So. Cal. Soft-Pak, Incorporated ("Soft-Pak") Software Solutions, a leading specialized provider of integrated back office, route management and customer relationship management software solutions to the waste and recycling fleet industry for $45,500, net of cash acquired. The Soft-Pak acquisition strengthens the digital offerings within the Engineered Products segment. In connection with this acquisition, the Company recorded goodwill of $33,183 and intangible assets of $12,800, primarily related to customer intangibles.

On January 24, 2020, the Company acquired 100% of the voting stock of Sys-Tech Solutions, Inc. ("Systech"), a leading provider of product traceability, regulatory compliance and brand-protection software and solutions to pharmaceutical and consumer products manufacturers, for $161,830, net of cash acquired. The Systech acquisition strengthens the portfolio of solutions offered by the Imaging & Identification segment. In connection with this acquisition, the Company recorded goodwill of $91,493 and intangible assets of $76,100, primarily related to customer intangibles.

One other immaterial acquisition was completed during the nine months ended September 30, 2020, within the Pumps & Process Solutions segment.

The following presents the preliminary allocation of purchase price to the assets acquired and liabilities assumed, based on their estimated fair values at their acquisition dates:

	Total
Current assets, net of cash acquired	$ 30,287
Property, plant and equipment	6,642
Goodwill	157,874
Intangible assets	100,524
Current liabilities	(20,249)
Other liabilities	(16,404)
Net assets acquired	$ 258,674

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

The amounts assigned to goodwill and major intangible asset classifications were as follows:

	Amount allocated	Useful life (in years)
Goodwill - tax deductible	$ 33,183	na
Goodwill - non deductible	124,691	na
Customer intangibles	79,795	10 - 12
Unpatented technology	14,098	6 - 9
Trademarks	6,631	15
	$ 258,398	

2019 Acquisitions

During the nine months ended September 30, 2019, the Company acquired three businesses in separate transactions for total consideration of $216,398, net of cash acquired and including contingent consideration. These businesses were acquired to complement and expand upon existing operations within the Fueling Solutions and Pumps & Process Solutions segment. The goodwill recorded as a result of these acquisitions represents the economic benefits expected to be derived from product line expansions and operational synergies. The goodwill is deductible for U.S. income tax purposes for these acquisitions.

On May 7, 2019, the Company acquired the assets of the All-Flo Pump Company, Limited business ("All-Flo"), a growing manufacturer of specialty pumps for $39,954. The All-Flo acquisition strengthens Dover's position in the growing market for air-operated double-diaphragm pumps within the Pumps & Process Solutions segment. The Company recorded goodwill of $20,567 and intangible assets of $14,980. The intangible assets are being amortized over 13 to 15 years.

On January 25, 2019, the Company acquired the assets of Belanger, Inc. ("Belanger"), a leading full-line car wash equipment manufacturer for $175,350, net of cash acquired. The Belanger acquisition strengthens Dover's position in the vehicle wash business within the Fueling Solutions segment. In connection with this acquisition, the Company recorded goodwill of $98,084 and intangible assets of $77,000, primarily related to customer intangibles. The intangible assets are being amortized over 9 to 15 years.

One other immaterial acquisition was completed during the nine months ended September 30, 2019, which included contingent consideration, within the Pumps & Process Solutions segment.

Pro Forma Information

The following unaudited pro forma information illustrates the impact of 2020 and 2019 acquisitions on the Company's revenue and earnings from operations for the three and nine months ended September 30, 2020 and 2019, respectively.
The unaudited pro forma information assumes that the 2020 and 2019 acquisitions had taken place at the beginning of the prior year, 2019 and 2018, respectively. Unaudited pro forma earnings are adjusted to reflect the comparable impact of additional depreciation and amortization expense, net of tax, resulting from the fair value measurement of intangible and tangible assets relating to the year of acquisition.

The unaudited pro forma effects for the three and nine months ended September 30, 2020 and 2019 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenue:				
As reported	$ 1,748,256	$ 1,825,345	$ 4,903,370	$ 5,360,808
Pro forma	1,752,155	1,845,416	4,924,687	5,428,757
Net earnings:				
As reported	$ 200,300	$ 206,006	$ 501,345	$ 509,796
Pro forma	203,133	206,333	512,190	511,425

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

4. Disposed Operations

Management evaluates Dover's businesses periodically for their strategic fit within its operations and may from time to time sell or discontinue certain operations for various reasons.

2020

On March 6, 2020, the Company completed the sale of the Chino, California branch of The AMS Group ("AMS Chino"), a wholly owned subsidiary of the Company. The Company recognized total consideration of $15,400, which included a working capital adjustment. This sale resulted in a pre-tax gain on sale of $5,213 included within the Condensed Consolidated Statements of Earnings and within the Refrigeration & Food Equipment Segment for the nine months ended September 30, 2020. The sale does not represent a strategic shift that will have a major effect on operations and financial results and, therefore, did not qualify for presentation as a discontinued operation.

2019

On March 29, 2019, the Company entered into a definitive agreement to sell Finder Pompe S.r.l ("Finder"), a wholly owned subsidiary, to Gruppo Aturia S.p.A (“Aturia”). As of March 31, 2019, Finder met the criteria to be classified as held for sale. The Company classified Finder's assets and liabilities separately on the consolidated balance sheet as of March 31, 2019.

Based on the total consideration from the sale, net of selling costs, the Company recorded a loss on the assets held for sale of $46,946 in the Condensed Consolidated Statements of Earnings during the three months ended March 31, 2019. The loss was comprised of an impairment on assets held for sale of $21,607 and $25,339 of foreign currency translation losses reclassified out of accumulated other comprehensive losses.

On April 2, 2019, Dover completed the sale of Finder to Aturia, which generated total cash proceeds of $24,218. The Finder business was included in the results of the Pumps & Process Solutions segment. The sale does not represent a strategic shift that will have a major effect on operations and financial results and, therefore, did not qualify for presentation as a discontinued operation.

5. Inventories

	September 30, 2020	December 31, 2019
Raw materials	$ 488,907	$ 467,912
Work in progress	168,143	162,670
Finished goods	298,925	280,051
Subtotal	955,975	910,633
Less reserves	(117,436)	(104,492)
Total	$ 838,539	$ 806,141

6. Property, Plant and Equipment, net

	September 30, 2020	December 31, 2019
Land	$ 59,511	$ 56,583
Buildings and improvements	549,617	527,192
Machinery, equipment and other	1,731,771	1,648,354
Property, plant and equipment, gross	2,340,899	2,232,129
Accumulated depreciation	(1,461,279)	(1,389,811)
Property, plant and equipment, net	$ 879,620	$ 842,318

Depreciation expense totaled $34,096 and $32,145 for the three months ended September 30, 2020 and 2019, respectively. For the nine months ended September 30, 2020 and 2019, depreciation expense was $102,016 and $97,364, respectively.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

7. Credit Losses

Effective January 1, 2020, the Company adopted ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments prospectively. This ASU replaces the incurred loss impairment model with an expected credit loss impairment model for financial instruments, including trade receivables. The amendment requires entities to consider forward-looking information to estimate expected credit losses, resulting in earlier recognition of losses for receivables that are current or not yet due, which were not considered under the previous accounting guidance. Upon adoption, the Company recorded a noncash cumulative effect adjustment to retained earnings of $2.1 million, net of $0.6 million of income taxes, on the opening consolidated balance sheet as of January 1, 2020.

The Company is exposed to credit losses primarily through sales of products and services. The Company’s expected loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers' trade accounts receivables. Due to the short-term nature of such receivables, the estimate of amount of accounts receivable that may not be collected is based on aging of the accounts receivable balances and the financial condition of customers. Additionally, specific allowance amounts are established to record the appropriate provision for customers that have a higher probability of default. The Company’s monitoring activities include timely account reconciliation, dispute resolution, payment confirmation, consideration of customers' financial condition and macroeconomic conditions. Balances are written off when determined to be uncollectible. The Company considered the current and expected future economic and market conditions surrounding the novel coronavirus ("COVID-19") pandemic and determined that the estimate of credit losses was not significantly impacted.

Estimates are used to determine the allowance. It is based on assessment of anticipated payment and all other historical, current and forward-looking information that is reasonably available.

The following table provides a roll-forward of the allowance for credit losses that is deducted from the amortized cost basis of accounts receivable to present the net amount expected to be collected.

	2020
Beginning Balance, January 1,	$ 29,381
Adoption of ASU 2016-13, cumulative-effect adjustment to retained earnings	2,706
Provision for expected credit losses	10,248
Amounts written off charged against the allowance	(2,113)
Other, including dispositions and foreign currency translation	171
Ending balance, September 30	$ 40,393

8. Goodwill and Other Intangible Assets

The changes in the carrying value of goodwill by reportable operating segments were as follows:

	Engineered Products	Fueling Solutions	Imaging & Identification	Pumps & Process Solutions	Refrigeration & Food Equipment	Total
Balance at December 31, 2019	$ 636,571	$ 873,381	$ 977,069	$ 750,627	$ 545,699	$ 3,783,347
Acquisitions	33,183	—	103,186	21,505	—	157,874
Disposition of business	—	—	—	—	(2,597)	(2,597)
Foreign currency translation	5,675	(19)	16,112	5,697	801	28,266
Balance at September 30, 2020	$ 675,429	$ 873,362	$ 1,096,367	$ 777,829	$ 543,903	$ 3,966,890

During the nine months ended September 30, 2020, the Company recorded additions of $157,874 to goodwill as a result of the acquisitions within the Engineered Products, Imaging & Identification, and Pumps & Process Solutions segments discussed in Note 3 — Acquisitions. During the nine months ended September 30, 2020, the Company disposed of $2,597 of the Refrigeration & Food Equipment segment goodwill as a result of the sale of a business as discussed in Note 4 — Disposed Operations.

Dover performs its annual goodwill impairment testing in the fourth quarter of each year. During the 2019 impairment testing, all fifteen reporting units had fair values substantially in excess of their carrying values. In addition to the annual impairment test, the Company is required to regularly assess whether a triggering event has occurred which would require interim impairment testing. The Company considered the current and expected future economic and market conditions surrounding the COVID-19 pandemic and its impact on each of the reporting units. Further, the Company assessed the current market capitalization, forecasts and the amount of headroom in the 2019 impairment test. The Company determined that a triggering event has not occurred which would require an interim impairment test to be performed. Refer to "Segment Results of Operations" for further details on the COVID-19 impact to the Company's operations.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

The Company’s definite-lived and indefinite-lived intangible assets by major asset class were as follows:

	September 30, 2020			December 31, 2019		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets:						
Customer intangibles	$ 1,509,305	$ 796,653	$ 712,652	$ 1,410,636	$ 714,566	$ 696,070
Trademarks	226,762	98,541	128,221	218,064	85,791	132,273
Patents	161,314	138,584	22,730	159,376	133,677	25,699
Unpatented technologies	170,859	108,633	62,226	154,505	99,276	55,229
Distributor relationships	84,045	49,200	34,845	82,779	44,202	38,577
Drawings & manuals	28,054	24,585	3,469	27,500	22,403	5,097
Other	23,558	18,609	4,949	22,355	16,939	5,416
Total	2,203,897	1,234,805	969,092	2,075,215	1,116,854	958,361
Unamortized intangible assets:						
Trademarks	96,723	—	96,723	96,653	—	96,653
Total intangible assets, net	$ 2,300,620	$ 1,234,805	$ 1,065,815	$ 2,171,868	$ 1,116,854	$ 1,055,014

Amortization expense was $35,393 and $34,642, respectively, including acquisition-related intangible amortization of $34,797 and $34,157 for the three months ended September 30, 2020 and 2019, respectively. For the nine months ended September 30, 2020 and 2019, amortization expense was $103,828 and $104,930, respectively, including acquisition-related intangible amortization of $102,443 and $103,531, respectively.

9. Restructuring Activities

The Company's restructuring charges by segment were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Engineered Products	$ 2,342	$ 556	$ 6,860	$ 1,757
Fueling Solutions	1,572	825	3,958	3,339
Imaging & Identification	99	296	(167)	1,973
Pumps & Process Solutions	1,719	907	10,271	1,789
Refrigeration & Food Equipment	534	495	3,307	2,134
Corporate	474	257	2,136	1,018
Total	$ 6,740	$ 3,336	$ 26,365	$ 12,010
These amounts are classified in the Condensed Consolidated Statements of Earnings as follows:				
Cost of goods and services	$ 2,710	$ 2,073	$ 11,809	$ 4,435
Selling, general and administrative expenses	4,030	1,263	14,556	7,575
Total	$ 6,740	$ 3,336	$ 26,365	$ 12,010

The restructuring expenses of $6,740 and $26,365 incurred during the three and nine months ended September 30, 2020, respectively, were a result of restructuring programs initiated primarily in 2020. Restructuring expense was comprised primarily of new actions executed in response to lower demand driven by COVID-19 as well as continuing broad-based selling, general and administrative expense reduction initiatives and broad-based operational efficiency initiatives focusing on footprint consolidation, and operational optimization and IT centralization. Additional programs, beyond the scope of the announced programs, may be implemented during 2020 with related restructuring charges.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

The $6,740 of restructuring charges incurred during the third quarter of 2020 primarily included the following items:

- The Engineered Products segment recorded $2,342 of restructuring charges principally related to headcount reductions.
- The Fueling Solutions segment recorded $1,572 of restructuring charges primarily due to headcount reductions.
- The Imaging & Identification segment recorded a restructuring charges of $99 principally related to facility restructuring costs.
- The Pumps & Process Solutions segment recorded $1,719 of restructuring expense primarily due to headcount reductions.
- The Refrigeration & Food Equipment segment recorded $534 of restructuring expense primarily due to headcount reductions and facility restructuring costs.
- Corporate recorded $474 of restructuring charges primarily related to exit costs associated with IT centralization initiatives.

The Company's severance and exit accrual activities were as follows:

	Severance	Exit	Total
Balance at December 31, 2019	$ 13,751	$ 2,639	$ 16,390
Restructuring charges	18,832	7,533	26,365
Payments	(24,837)	(3,895)	(28,732)
Other, including foreign currency translation	466	(3,982) (1)	(3,516)
Balance at September 30, 2020	$ 8,212	$ 2,295	$ 10,507

(1) Other activity in exit reserves primarily represents the non-cash write-off of certain long-lived assets in connection with certain facility closures.

10. Borrowings

Borrowings consisted of the following:

	September 30, 2020	December 31, 2019
Short-term		
Commercial paper	$ 90,500	$ 84,700
Notes payable	$ 90,500	$ 84,700

		Carrying amount (1)	
	Principal	September 30, 2020	December 31, 2019
Long-term			
3.15% 10-year notes due November 15, 2025	$ 400,000	$ 396,548	$ 396,042
1.25% 10-year notes due November 9, 2026 (euro-denominated)	€ 600,000	690,939	658,089
0.750% 8-year notes due November 4, 2027 (euro denominated)	€ 500,000	575,313	548,008
6.65% 30-year debentures due June 1, 2028	$ 200,000	199,230	199,155
2.950% 10-year notes due November 4, 2029	$ 300,000	296,555	296,270
5.375% 30-year debentures due October 15, 2035	$ 300,000	296,247	296,060
6.60% 30-year notes due March 15, 2038	$ 250,000	248,024	247,939
5.375% 30-year notes due March 1, 2041	$ 350,000	344,360	344,153
Total long-term debt		$ 3,047,216	$ 2,985,716

(1) Carrying amount is net of unamortized debt discount and deferred debt issuance costs. Total unamortized debt discounts were $17.8 million and $18.9 million as of September 30, 2020 and December 31, 2019, respectively. Total deferred debt issuance costs were $14.8 million and $16.2 million as of September 30, 2020 and December 31, 2019, respectively.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

As of September 30, 2020, the Company maintained a $1.0 billion five-year unsecured revolving credit facility (the "Credit Agreement") with a syndicate of banks which expires on October 4, 2024. The Company uses the Credit Agreement principally as liquidity back-up for its commercial paper program. On March 16, 2020, the Company borrowed $500 million under the Credit Agreement, which was subsequently repaid in full during the second quarter with proceeds from resumed commercial paper borrowings. Proceeds from the Credit Agreement borrowing were used to repay all of the Company's outstanding commercial paper and for general corporate purposes.

On May 6, 2020, the Company entered into a $450.0 million 364-day revolving credit facility (the "Short-term Credit Agreement") with a syndicate of banks which expires on May 5, 2021. The Short-term Credit Agreement is intended to be used primarily for working capital and general corporate purposes. The Company may elect to have loans under the Short-term Credit Agreement which bear interest at a base rate plus a specified applicable margin. The Short-term Credit Agreement requires the Company to pay a facility fee and imposes various restrictions on the Company such as, among other things, a requirement to maintain a minimum interest coverage ratio of EBITDA to consolidated net interest expense of not less than 3.0 to 1. The Company has not undertaken any borrowings under this facility.

The Company was in compliance with all covenants in the Credit Agreement, the Short-term Credit Agreement, and other long-term debt covenants at September 30, 2020 and had an interest coverage ratio of consolidated EBITDA to consolidated net interest expense of 11.0 to 1.

As of September 30, 2020, the Company had approximately $157.6 million outstanding in letters of credit, surety bonds, and performance and other guarantees which expire on various dates through 2029. These letters of credit and bonds are primarily issued as security for insurance, warranty and other performance obligations. In general, we would only be liable for the amount of these guarantees in the event of default in the performance of our obligations.

11. Financial Instruments

Derivatives

The Company is exposed to market risk for changes in foreign currency exchange rates due to the global nature of its operations and certain commodity risks. In order to manage these risks, the Company has hedged portions of its forecasted sales and purchases to occur within the next twelve months that are denominated in non-functional currencies, with currency forward contracts designated as cash flow hedges. At September 30, 2020 and December 31, 2019, the Company had contracts with total notional amounts of $167,123 and $179,580, respectively, to exchange currencies, principally Euro, Pound Sterling, Swedish Krona, Chinese Yuan, Canadian Dollar, and Swiss Franc. The Company believes it is probable that all forecasted cash flow transactions will occur.

In addition, the Company had outstanding contracts with a total notional amount of $85,613 and $79,707 as of September 30, 2020 and December 31, 2019, respectively, that are not designated as hedging instruments. These instruments are used to reduce the Company's exposure for operating receivables and payables that are denominated in non-functional currencies. Gains and losses on these contracts are recorded in other income, net in the Condensed Consolidated Statements of Earnings.

The following table sets forth the fair values of derivative instruments held by the Company as of September 30, 2020 and December 31, 2019 and the balance sheet lines in which they are recorded:

	Fair Value Asset (Liability)		
	September 30, 2020	**December 31, 2019**	**Balance Sheet Caption**
Foreign currency forward	$ 1,155	$ 2,892	Prepaid and other current assets
Foreign currency forward	(1,830)	(476)	Other accrued expenses

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

For a cash flow hedge, the change in estimated fair value of a hedging instrument is recorded in accumulated other comprehensive (loss) earnings as a separate component of the Condensed Consolidated Statements of Stockholders' Equity and is reclassified into revenues and cost of goods and services in the Condensed Consolidated Statements of Earnings during the period in which the hedged transaction is recognized. The amount of gains or losses from hedging activity recorded in earnings is not significant, and the amount of unrealized gains and losses from cash flow hedges that are expected to be reclassified to earnings in the next twelve months is not significant; therefore, additional tabular disclosures are not presented. There are no amounts excluded from the assessment of hedge effectiveness and the Company's derivative instruments that are subject to credit risk contingent features were not significant.

The Company is exposed to credit loss in the event of nonperformance by counterparties to the financial instrument contracts held by the Company; however, nonperformance by these counterparties is considered unlikely as the Company’s policy is to contract with highly-rated, diversified counterparties.

The Company has designated the €600,000 and €500,000 of euro-denominated notes issued November 9, 2016 and November 4, 2019, respectively, as hedges of a portion of its net investment in euro-denominated operations. Changes in the value of the euro-denominated debt are recognized in foreign currency translation adjustments within other comprehensive earnings of the Condensed Consolidated Statements of Comprehensive Earnings to offset changes in the value of the net investment in euro-denominated operations.

Amounts recognized in other comprehensive earnings for the gains (losses) on net investment hedges were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
(Loss) gain on euro-denominated debt	$ (45,379)	$ 37,783	$ (58,659)	$ 36,630
Tax benefit (expense)	9,872	(7,934)	12,761	(7,692)
Net (loss) gain on net investment hedges, net of tax	$ (35,507)	$ 29,849	$ (45,898)	$ 28,938

Fair Value Measurements

ASC 820, Fair Value Measurements and Disclosures, establishes a fair value hierarchy that requires the Company to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument’s categorization within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. ASC 820 establishes three levels of inputs that may be used to measure fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs include inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of assets or liabilities.

Level 3 inputs are unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The following table presents the Company’s assets and liabilities measured at fair value on a recurring basis as of September 30, 2020 and December 31, 2019:

	September 30, 2020	**December 31, 2019**
	Level 2	Level 2
Assets:		
Foreign currency cash flow hedges	$ 1,155	$ 2,892
Liabilities:		
Foreign currency cash flow hedges	1,830	476

In addition to fair value disclosure requirements related to financial instruments carried at fair value, accounting standards require interim disclosures regarding the fair value of all of the Company’s financial instruments.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

The estimated fair value of long-term debt, net at September 30, 2020 and December 31, 2019, was $3,546,940 and $3,322,033, respectively. The estimated fair value of long-term debt is based on quoted market prices for similar instruments and is, therefore, classified as Level 2 within the fair value hierarchy.

The carrying values of cash and cash equivalents, trade receivables, accounts payable and notes payable are reasonable estimates of their fair values as of September 30, 2020 and December 31, 2019 due to the short-term nature of these instruments.

12. Income Taxes

The effective tax rates for the three months ended September 30, 2020 and 2019 were 20.2% and 20.1%, respectively. The increase in the effective tax rate for the three months ended September 30, 2020 relative to the prior comparable period was primarily driven by discrete items.

The effective tax rates for the nine months ended September 30, 2020 and 2019 were 19.3% and 21.1%, respectively. The decrease in the effective tax rate for the nine months ended September 30, 2020 relative to the prior year comparable period was primarily driven by the exclusion of capital losses on the sale of Finder under local law in the prior year, partially offset by the impact of other discrete tax items.

Dover and its subsidiaries file tax returns in the U.S., including various state and local returns, and in other foreign jurisdictions. We believe adequate provision has been made for all income tax uncertainties. The Company is routinely audited by taxing authorities in its filing jurisdictions, and a number of these audits are currently underway. The Company believes that within the next twelve months uncertain tax positions may be resolved and statutes of limitations will expire, which could result in a decrease in the gross amount of unrecognized tax benefits of approximately zero to $9.8 million.

13. Equity Incentive Program

The Company typically grants equity awards annually at its regularly scheduled first quarter meeting of the Compensation Committee of the Board of Directors. During the nine months ended September 30, 2020, the Company issued stock-settled appreciation rights ("SARs") covering 390,780 shares, performance share awards of 49,056 and restricted stock units ("RSUs") of 83,512.

The Company uses the Black-Scholes option pricing model to determine the fair value of each SAR on the date of grant. Expected volatilities are based on Dover's stock price history, including implied volatilities from traded options on Dover stock. The Company uses historical data to estimate SAR exercise and employee termination patterns within the valuation model. The expected life of SARs granted is derived from the output of the option valuation model and represents the average period of time that SARs granted are expected to be outstanding. The interest rate for periods within the contractual life of the SARs is based on the U.S. Treasury yield curve in effect at the time of grant.

The assumptions used in determining the fair value of the SARs awarded during the respective periods were as follows:

	SARs	
	2020	2019
Risk-free interest rate	1.44 %	2.51 %
Dividend yield	1.65 %	2.13 %
Expected life (years)	5.5	5.6
Volatility	22.76 %	22.35 %
Grant price	$119.86	$91.20
Fair value per share at date of grant	$22.54	$17.55

The performance share awards granted in 2020 are market condition awards as attainment is based on Dover's performance relative to its peer group (companies listed under the S&P 500 Industrials sector) for the relevant performance period. The performance period and vesting period for these awards is approximately three years. These awards were valued on the date of grant using the Monte Carlo simulation model (a binomial lattice-based valuation model), and are generally recognized ratably over the vesting period, and the fair value is not subject to change based on future market conditions. The assumptions used in determining the fair value of the performance shares granted in 2020 were as follows:

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

	Performance Shares
	2020
Risk-free interest rate	1.40 %
Dividend yield	1.65 %
Expected life (years)	2.9
Volatility	23.30 %
Grant price	$119.86
Fair value per share at date of grant	$165.71

The performance share awards granted in 2019 are considered performance condition awards as attainment is based on Dover's performance relative to established internal metrics. The fair value of these awards was determined using Dover's closing stock price on the date of grant. The expected attainment of the internal metrics for these awards is analyzed each reporting period, and the related expense is adjusted based on expected attainment, if that attainment differs from previous estimates. The cumulative effect on current and prior periods of a change in attainment is recognized in selling, general and administrative expenses in the Condensed Consolidated Statements of Earnings in the period of change.

The fair value and average attainment used in determining stock-based compensation cost for the performance shares issued in 2019 is as follows for the nine months ended September 30, 2020:

	Performance Shares
	2019
Fair value per share at date of grant	$91.20
Average attainment rate reflected in expense	168.96%

The Company also has granted RSUs, and the fair value of these awards was determined using Dover's closing stock price on the date of grant.

Stock-based compensation is reported within selling, general and administrative expenses in the Condensed Consolidated Statements of Earnings. The following table summarizes the Company’s compensation expense relating to all stock-based incentive plans:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Pre-tax stock-based compensation expense	$ 7,371	$ 7,876	$ 15,591	$ 24,493
Tax benefit	(854)	(489)	(1,822)	(2,035)
Total stock-based compensation expense, net of tax	$ 6,517	$ 7,387	$ 13,769	$ 22,458

14. Commitments and Contingent Liabilities

Litigation

Certain of the Company’s subsidiaries are involved in legal proceedings relating to the cleanup of waste disposal sites identified under federal and state statutes that provide for the allocation of such costs among "potentially responsible parties." In each instance, the extent of the Company’s liability appears to be very small in relation to the total projected expenditures and the number of other "potentially responsible parties" involved and is anticipated to be immaterial to the Company. In addition, certain of the Company’s subsidiaries are involved in ongoing remedial activities at certain current and former plant sites, in cooperation with regulatory agencies, and appropriate estimated liabilities have been established. At September 30, 2020 and December 31, 2019, the Company had estimated liabilities totaling $31,308 and $30,608, respectively, for environmental and other matters, including private party claims for exposure to hazardous substances that are probable and estimable.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

The Company and certain of its subsidiaries are also parties to a number of other legal proceedings incidental to their businesses. These proceedings primarily involve claims by private parties alleging injury arising out of use of the Company’s products, patent infringement, employment matters, and commercial disputes. Management and legal counsel, at least quarterly, review the probable outcome of such proceedings, the costs and expenses reasonably expected to be incurred and currently accrued to-date, and the availability and extent of insurance coverage. The Company has estimated liabilities for legal matters that are probable and estimable, and at September 30, 2020 and December 31, 2019, these estimated liabilities were not significant. While it is not possible at this time to predict the outcome of these legal actions, in the opinion of management, based on the aforementioned reviews, the Company is not currently involved in any legal proceedings which, individually or in the aggregate, could have a material effect on its financial position, results of operations, or cash flows.

Warranty Accruals

Estimated warranty program claims are provided for at the time of sale of the Company's products. Amounts provided for are based on historical costs and adjusted for new claims and are included within other accrued expenses and other liabilities in the Condensed Consolidated Balance Sheet. The changes in the carrying amount of product warranties through September 30, 2020 and 2019, were as follows:

	2020	2019
Beginning Balance, December 31 of the Prior Year	$ 49,116	$ 50,073
Provision for warranties	42,647	46,123
Settlements made	(44,396)	(46,406)
Other adjustments, including acquisitions and currency translation	129	(1,609)
Ending balance, September 30	$ 47,496	$ 48,181

15. Employee Benefit Plans

Retirement Plans

The Company sponsors qualified defined benefit pension plans covering certain employees of the Company and its subsidiaries, although the U.S. qualified and non-qualified defined benefit plans are closed to new entrants. The plans’ benefits are generally based on years of service and employee compensation. The Company also provides to certain management employees, through non-qualified plans, supplemental retirement benefits in excess of qualified plan limits imposed by federal tax law.

The tables below set forth the components of the Company’s net periodic (income) expense relating to retirement benefit plans. The service cost component is recognized within selling, general and administrative expenses and cost of goods and services, depending on the functional area of the underlying employees included in the plans, and the non-operating components of pension costs are included within other income, net in the Condensed Consolidated Statements of Earnings.

Qualified Defined Benefits

	Three Months Ended September 30,				Nine Months Ended September 30,			
	U.S. Plan		Non-U.S. Plans		U.S. Plan		Non-U.S. Plans	
	2020	2019	2020	2019	2020	2019	2020	2019
Service cost	$ 1,706	$ 1,754	$ 1,366	$ 1,429	$ 5,118	$ 5,262	$ 3,954	$ 4,265
Interest cost	4,068	4,756	839	1,193	12,204	14,269	2,460	3,641
Expected return on plan assets	(7,869)	(8,534)	(1,719)	(1,538)	(23,607)	(25,602)	(5,033)	(4,664)
Amortization:								
Prior service cost (credit)	57	76	(126)	(102)	170	227	(365)	(298)
Recognized actuarial loss	1,884	—	777	763	5,652	—	2,253	2,288
Net periodic (income) expense	$ (154)	$ (1,948)	$ 1,137	$ 1,745	$ (463)	$ (5,844)	$ 3,269	$ 5,232

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

Non-Qualified Supplemental Benefits

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Service cost	$ 318	$ 486	$ 954	$ 1,457
Interest cost	441	668	1,324	2,003
Amortization:				
Prior service cost	424	703	1,271	2,109
Recognized actuarial gain	(464)	(570)	(1,393)	(1,710)
Net periodic expense	$ 719	$ 1,287	$ 2,156	$ 3,859

Post-Retirement Benefit Plans

The Company also maintains post-retirement benefit plans, although these plans are closed to new entrants. The post-retirement benefit plans are supported by the general assets of the Company. The following table sets forth the components of the Company's net periodic expense relating to its post-retirement benefit plans:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Service cost	$ 5	$ 5	$ 15	$ 15
Interest cost	60	78	181	234
Amortization:				
Prior service cost	3	3	10	10
Recognized actuarial gain	(3)	(17)	(11)	(52)
Net periodic expense	$ 65	$ 69	$ 195	$ 207

The total amount amortized out of accumulated other comprehensive earnings into net periodic pension and post-retirement expense totaled $2,552 and $856 for the three months ended September 30, 2020 and 2019, respectively, and $7,587 and $2,574 for the nine months ended September 30, 2020 and 2019, respectively.

Defined Contribution Retirement Plans

The Company also offers defined contribution retirement plans which cover the majority of its U.S. employees, as well as employees in certain other countries. The related expense is recognized within selling, general and administrative expenses and cost of goods and services, depending on the functional area of the underlying employees included in the plans. The Company's expense relating to defined contribution plans was $12,530, and $12,188 for the three months ended September 30, 2020 and 2019, respectively, and $39,071 and $38,340 for the nine months ended September 30, 2020 and 2019.

16. Other Comprehensive Earnings

The amounts recognized in other comprehensive (loss) earnings were as follows:

	Three Months Ended September 30, 2020			Three Months Ended September 30, 2019		
	Pre-tax	Tax	Net of tax	Pre-tax	Tax	Net of tax
Foreign currency translation adjustments	$ 19,399	$ 9,872	$ 29,271	$ (42,931)	$ (7,934)	$ (50,865)
Pension and other post-retirement benefit plans	2,552	(421)	2,131	856	(190)	666
Changes in fair value of cash flow hedges	(627)	139	(488)	1,419	(297)	1,122
Total other comprehensive earnings (loss)	$ 21,324	$ 9,590	$ 30,914	$ (40,656)	$ (8,421)	$ (49,077)

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	Nine Months Ended September 30, 2020			Nine Months Ended September 30, 2019		
	Pre-tax	Tax	Net of tax	Pre-tax	Tax	Net of tax
Foreign currency translation adjustments	$ (32,475)	$ 12,761	$ (19,714)	$ (8,112)	$ (7,692)	$ (15,804)
Pension and other post-retirement benefit plans	7,587	(1,408)	6,179	2,574	(572)	2,002
Changes in fair value of cash flow hedges	(4,050)	896	(3,154)	(368)	76	(292)
Total other comprehensive (loss) earnings	$ (28,938)	$ 12,249	$ (16,689)	$ (5,906)	$ (8,188)	$ (14,094)

Total comprehensive earnings were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Net earnings	$ 200,300	$ 206,006	$ 501,345	$ 509,796
Other comprehensive earnings (loss)	30,914	(49,077)	(16,689)	(14,094)
Comprehensive earnings	$ 231,214	$ 156,929	$ 484,656	$ 495,702

Amounts reclassified from accumulated other comprehensive loss to earnings during the three and nine months ended September 30, 2020 and 2019 were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Foreign currency translation:				
Reclassification of foreign currency translation losses to earnings for assets held for sale	$ —	$ —	$ —	$ 25,339
Tax benefit	—	—	—	—
Net of tax	$ —	$ —	$ —	$ 25,339
Pension and other postretirement benefit plans:				
Amortization of actuarial losses	$ 2,194	$ 176	$ 6,501	$ 526
Amortization of prior service costs	358	680	1,086	2,048
Total before tax	2,552	856	7,587	2,574
Tax benefit	(421)	(190)	(1,408)	(572)
Net of tax	$ 2,131	$ 666	$ 6,179	$ 2,002
Cash flow hedges:				
Net (gains) losses reclassified into earnings	$ (266)	$ 730	$ 402	$ (85)
Tax provision (benefit)	56	(153)	(84)	16
Net of tax	$ (210)	$ 577	$ 318	$ (69)

The reclassification of foreign currency translation losses to earnings during the nine months ended September 30, 2019 relates to the sale of Finder. See Note 4 — Disposed Operations for further details.

The Company recognizes the amortization of net actuarial gains and losses and prior service costs in other income, net within the Condensed Consolidated Statements of Earnings.

Cash flow hedges consist mainly of foreign currency forward contracts. The Company recognizes the realized gains and losses on its cash flow hedges in the same line item as the hedged transaction, such as revenue, cost of goods and services, or selling, general and administrative expenses.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

17. Segment Information

The Company categorizes its operating companies into five reportable segments as follows:

- Engineered Products segment is a provider of a wide range of products, software and services that have broad customer applications across a number of markets, including aftermarket vehicle service, solid waste handling, industrial automation, aerospace and defense, industrial winch and hoist, and fluid dispensing.

- Fueling Solutions segment is focused on providing components, equipment and software and service solutions enabling safe transport of fuels and other hazardous fluids along the supply chain, as well as the safe and efficient operation of retail fueling and vehicle wash establishments.

- Imaging & Identification segment supplies precision marking and coding, product traceability and digital textile printing equipment, as well as related consumables, software and services.

- Pumps & Process Solutions segment manufactures specialty pumps, fluid handling components, plastics and polymer processing equipment, and highly engineered components for rotating and reciprocating machines.

- Refrigeration & Food Equipment segment is a provider of innovative and energy-efficient equipment and systems that serve the commercial refrigeration, heating and cooling and food equipment markets.

Segment financial information and a reconciliation of segment results to consolidated results was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenue:				
Engineered Products	$ 386,562	$ 426,689	$ 1,137,102	$ 1,275,468
Fueling Solutions	380,511	411,769	1,066,988	1,175,405
Imaging & Identification	265,690	275,109	750,432	810,051
Pumps & Process Solutions	347,875	341,337	976,506	1,010,480
Refrigeration & Food Equipment	368,395	370,335	973,835	1,090,452
Intra-segment eliminations	(777)	106	(1,493)	(1,048)
Total consolidated revenue	$ 1,748,256	$ 1,825,345	$ 4,903,370	$ 5,360,808
Net earnings:				
Segment earnings (EBIT): (1)				
Engineered Products	$ 64,890	$ 74,367	$ 181,686	$ 218,615
Fueling Solutions	66,601	68,069	167,313	157,936
Imaging & Identification	51,928	61,655	141,456	172,251
Pumps & Process Solutions (2)	89,786	77,433	223,567	168,702
Refrigeration & Food Equipment(3)	40,159	35,211	75,147	104,393
Total segment earnings (EBIT)	313,364	316,735	789,169	821,897
Corporate expense / other (4)	35,603	28,658	87,011	84,036
Interest expense	27,724	31,410	83,703	94,972
Interest income	(960)	(1,263)	(2,871)	(3,098)
Earnings before provision for income taxes	250,997	257,930	621,326	645,987
Provision for income taxes	50,697	51,924	119,981	136,191
Net earnings	$ 200,300	$ 206,006	$ 501,345	$ 509,796

(1) Segment earnings (EBIT) includes non-operating income and expense directly attributable to the segments. Non-operating income and expense includes gain on sale of a business and other income, net.
(2) The nine months ended September 30, 2019 includes a $46,946 loss on assets held for sale for Finder.
(3) The three and nine months ended September 30, 2020 include a $557 expense and a $5,213 net gain on the sale of AMS Chino, respectively. The nine months ended September 30, 2020 also include a $3,640 write-off of assets.
(4) Certain expenses are maintained at the corporate level and not allocated to the segments. These expenses include executive and functional compensation costs, non-service pension costs, non-operating insurance expenses, shared business services overhead costs, deal related expenses and various administrative expenses relating to the corporate headquarters.

(Amounts in thousands except share data and where otherwise indicated) (Unaudited)

The following table presents revenue disaggregated by geography based on the location of the Company's customer:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Revenue by geography	**2020**	**2019**	**2020**	**2019**
United States	$ 952,548	$ 1,002,349	$ 2,762,187	$ 2,883,147
Europe	383,867	376,601	1,065,109	1,184,520
Asia	207,474	229,210	525,758	623,838
Other Americas	138,060	150,257	380,104	466,591
Other	66,307	66,928	170,212	202,712
Total	$ 1,748,256	$ 1,825,345	$ 4,903,370	$ 5,360,808

18. Share Repurchases

In February 2018, the Company's Board of Directors approved a standing share repurchase authorization, whereby the Company may repurchase up to 20 million shares of its common stock through December 31, 2020. This share repurchase authorization replaced the January 2015 share repurchase authorization.

In the first quarter of 2020, the Company repurchased 548,659 shares of common stock at a total cost of $52,916, or $96.45 per share. The Company suspended share repurchases in the second quarter due to business uncertainty related to COVID-19. This temporary suspension in share repurchases was lifted during the beginning of the third quarter. There were no repurchases during the three months ended September 30, 2020. During the three and nine months ended September 30, 2019, the Company repurchased 261,807 shares of common stock at a total cost of $23,280, or $88.92.

As of September 30, 2020, 7,811,385 shares remain authorized for repurchase under the February 2018 share repurchase authorization.

19. Earnings per Share

The following table sets forth a reconciliation of the information used in computing basic and diluted earnings per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Net earnings	$ 200,300	$ 206,006	$ 501,345	$ 509,796
Basic earnings per common share:				
Net earnings	$ 1.39	$ 1.42	$ 3.48	$ 3.51
Weighted average shares outstanding	144,032,000	145,372,000	144,082,000	145,276,000
Diluted earnings per common share:				
Net earnings	$ 1.38	$ 1.40	$ 3.45	$ 3.47
Weighted average shares outstanding	145,289,000	147,051,000	145,313,000	147,053,000

The following table is a reconciliation of the share amounts used in computing earnings per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	**2019**	**2020**	**2019**
Weighted average shares outstanding - Basic	144,032,000	145,372,000	144,082,000	145,276,000
Dilutive effect of assumed exercise of SARs and vesting of performance shares and RSUs	1,257,000	1,679,000	1,231,000	1,777,000
Weighted average shares outstanding - Diluted	145,289,000	147,051,000	145,313,000	147,053,000

Diluted earnings per share amounts are computed using the weighted average number of common shares outstanding and, if dilutive, potential common shares outstanding during the period. Potential common shares consist of the incremental common shares issuable upon the exercise of SARs and vesting of performance shares and RSUs, as determined using the treasury stock method.

The weighted average number of anti-dilutive potential common shares excluded from the calculation above were approximately 36,000 and 28,000 for the three months ended September 30, 2020 and 2019, respectively, and 95,000 and 9,000 for the nine months ended September 30, 2020 and 2019, respectively.

20. Recent Accounting Pronouncements

Recently Adopted Accounting Standards

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which amends the impairment model by requiring entities to use a forward-looking approach based on expected losses rather than incurred losses to estimate credit losses on certain types of financial instruments, including trade receivables. This resulted in the earlier recognition of allowances for losses. In addition, the FASB issued ASU 2019-04, Codification Improvements to Topic 326 which provides clarity on certain aspects of the amendments in ASU 2016-13. The Company adopted this guidance prospectively on January 1, 2020. Upon adoption, the Company recorded a noncash cumulative effect adjustment to retained earnings of $2.1 million, net of $0.6 million of income taxes, on the opening consolidated balance sheet as of January 1, 2020. See Note 7 — Credit Losses for further details.

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

Refer to the section below entitled "Special Notes Regarding Forward-Looking Statements" for a discussion of factors that could cause our actual results to differ from the forward-looking statements contained below and throughout this quarterly report.

Throughout this Management’s Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), we refer to measures used by management to evaluate performance as well as liquidity, including a number of financial measures that are not defined under accounting principles generally accepted in the United States of America ("GAAP"). We believe these measures provide investors with important information that is useful in understanding our business results and trends. Explanations within this MD&A provide more details on the use and derivation of these measures.

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus ("COVID-19") a pandemic. The COVID-19 outbreak and associated counter-acting measures implemented by governments around the world, as well as increased business uncertainty, had an adverse impact on our financial results for the three and nine months ended September 30, 2020. Activity in many of the end-markets we serve has been improving since the second quarter of 2020 and we expect that improvement trend to continue for most of our businesses in the fourth quarter. We are cautiously optimistic about the remainder of the year, however, the demand in most markets remains uncertain.

OVERVIEW

Dover is a diversified global manufacturer and solutions provider delivering innovative equipment and components, consumable supplies, aftermarket parts, software and digital solutions, and support services through five operating segments: Engineered Products, Fueling Solutions, Imaging & Identification, Pumps & Process Solutions, and Refrigeration & Food Equipment. The Company's entrepreneurial business model encourages, promotes and fosters deep customer engagement and collaboration, which has led to Dover's well-established and valued reputation for providing superior customer service and industry-leading product innovation. Unless the context indicates otherwise, references herein to "Dover," "the Company," and words such as "we," "us," or "our" include Dover Corporation and its consolidated subsidiaries.

Dover's five operating segments are as follows:

- Our Engineered Products segment is a provider of a wide range of products, software and services that have broad customer applications across a number of markets, including aftermarket vehicle service, solid waste handling, industrial automation, aerospace and defense, industrial winch and hoist, and fluid dispensing.

- Our Fueling Solutions segment is focused on providing components, equipment and software and service solutions enabling safe transport of fuels and other hazardous fluids along the supply chain, as well as the safe and efficient operation of retail fueling and vehicle wash establishments.

- Our Imaging & Identification segment supplies precision marking and coding, product traceability and digital textile printing equipment, as well as related consumables, software and services.

- Our Pumps & Process Solutions segment manufactures specialty pumps, fluid handling components, plastics and polymer processing equipment, and highly engineered components for rotating and reciprocating machines.

- Our Refrigeration & Food Equipment segment is a provider of innovative and energy-efficient equipment and systems that serve the commercial refrigeration, heating and cooling and food equipment markets.

In the third quarter of 2020, revenue was $1.7 billion, which decreased $77.1 million, or 4.2%, as compared to the third quarter of 2019. This was driven by an organic revenue decline of 5.1% and a 0.8% impact due to dispositions. This decline was partially offset by acquisition-related revenue growth of 1.0% and a favorable impact from foreign currency translation of 0.7%.

The 5.1% organic revenue decline compared to the third quarter of 2019 was broad-based across our segments, with the exception of our Refrigeration & Food Equipment segment. The organic revenue decline was due to continued demand softness in many of our end-markets driven by the global response to the outbreak of COVID-19. The Refrigeration & Food Equipment segment posted organic revenue growth of 2.6% primarily driven by improved activity in food retail and notable growth in demand for can making machinery, however demand for commercial foodservice equipment remained weak. The Engineered Products segment had an organic revenue decline of 10.4% primarily as a result of weaker demand in our waste handling business compared to recognizing all-time highest revenue in the third quarter last year, as well as continued softness in our industrial winch and hoist and industrial automation businesses, while our aerospace & defense business showed continued resilience and our vehicle service business revenues returned to levels slightly below those in the third quarter of last year. The Imaging & Identification segment experienced a decline in organic revenue of 7.6% primarily driven by continued softness in the textile digital printing market caused by the continued global disruption in the apparel and fashion markets related to COVID-19, while our marking and coding business was approximately in line with the prior year. The Fueling Solutions segment had an organic revenue decline of 7.9% driven by slowing demand in retail fueling markets in Asia and Europe as well as weaker activity in the transportation and vehicle wash markets, partially offset by strong activity in North America driven by Europay, Mastercard, and Visa ("EMV") compliance. The Pumps & Process Solutions segment had an organic revenue decline of 0.9% as a result of continued softness in compression components and aftermarket, and industrial pump end-markets, almost fully offset by strong performance in the biopharma and hygienic markets as well as strong shipments in our plastics and polymer processing business.

From a geographic perspective, in the third quarter, organic revenue for the U.S., our largest market, declined 4%, while organic revenue in Europe and Asia declined 4% and 10%, respectively, year over year. Organic revenue in all other geographic markets declined 5%. Three out of our five segments experienced declines in U.S. organic sales, while organic sales in the Refrigeration & Food Equipment grew 8% and the Imaging & Identification segment remained flat. Operational and demand headwinds from the COVID-19 pandemic led to a decline in Europe for four of our five segments, while the Pumps & Process Solutions segment grew on robust activity across all businesses. The decline in Asia was driven mainly by a reduction in China where our Fueling Solutions segment, our second largest business in China, faced significant headwinds due to the expiration of the government's double-wall upgrade mandate that drove significant activity in prior years, as well as continued weak demand from the national oil companies.

Bookings were $1.8 billion for the three months ended September 30, 2020, a decrease of $10.0 million, or 0.5% compared to the prior year comparable period. Included in this result was organic decline of 1.1% and a 0.6% impact due to dispositions, partially offset by acquisition-related bookings growth of 0.8% and a favorable impact from foreign currency translation of 0.4%. Bookings declined organically in four segments primarily as a result of the global impact on customer demand from the COVID-19 pandemic, and increased in our Refrigeration & Food Equipment on the back of positive trends, most significantly in can shaping, as well as food retail and heat exchanger markets. Backlog as of September 30, 2020 was $1.6 billion, an increase from $1.4 billion from the prior year. See definition of bookings and backlog within "Segment Results of Operations".

During the three months ended September 30, 2020, we acquired Solaris Laser S.A. ("Solaris") for a purchase price of $18.6 million, net of cash acquired. The Solaris acquisition enhances our Imaging & Identification segment's growing laser technology product line and further strengthens its position as a leading provider of marking and coding equipment and solutions.

Rightsizing charges of $5.8 million included restructuring costs of $6.7 million less other benefits of $0.9 million for the three months ended September 30, 2020. Restructuring expense was comprised primarily of new actions taken in response to lower demand driven by COVID-19 and continuing broad-based selling, general and administrative expense reduction initiatives and broad-based operational efficiency initiatives focusing on footprint consolidation, and operational optimization and IT centralization. These restructuring charges were broad-based across all segments as well as corporate. Other benefits were comprised primarily of a $1.7 million gain on sale of assets in our Refrigeration & Food Equipment segment as a result of restructuring actions and partially offset by charges related to the restructuring actions.

COVID-19 Update

The COVID-19 pandemic has disrupted the global economy and adversely impacted our business, including demand for our products across multiple end-markets as well as our supply chain and operations. We have experienced sequentially improving activity in most markets and geographies, however demand remains subdued compared to historical averages across multiple markets and we expect such softness to continue into the fourth quarter. The public health situation, global response measures and corresponding impacts on various markets remain fluid and uncertain and may lead to sudden changes in trajectory and outlook.

During the third quarter, we have continued to operate in accordance with established health and safety protocols across our facilities while maintaining an enhanced health and safety compliance program. More specifically, we have modified practices at our manufacturing locations and offices to adhere to guidance from the U.S. Centers for Disease Control and Prevention and local health and governmental authorities in our global network with respect to social distancing, physical separation, personal protective equipment and sanitization, and have restricted the number of employees permitted in common areas at any given time. These processes have been institutionalized as a formal part of our operational excellence model, including audits to sustain our practices. We are pleased to report that as of September 30, 2020 all of our major global facilities are operational.

In order to help mitigate the negative financial impact caused by the pandemic, we have executed and will continue to execute a number of temporary cost savings measures across the portfolio and at our corporate center including short-term labor actions, adjustments to variable compensation to reflect current conditions, utilization of governmental job retention subsidies, elimination of non-essential travel and reduction of discretionary spend. We have also significantly reduced our capital spending plan for the year, without deferring strategic ongoing initiatives. In addition, we initiated restructuring actions to drive longer-term cost savings and are proactively managing our working capital.

The extent of the impact of the COVID-19 outbreak on our operational and financial performance will depend on certain developments, including the duration of the outbreak, its impact on our customers and suppliers and the range of governmental and community reactions to the pandemic, which continue to be uncertain and cannot be fully predicted at this time. We will continue to proactively respond to the situation and may take further actions that alter our business operations as may be required by governmental authorities, or that we determine are in the best interests of our employees and customers.

CONSOLIDATED RESULTS OF OPERATIONS

	Three Months Ended September 30,			Nine Months Ended September 30,		
(dollars in thousands, except per share data)	**2020**	**2019**	**% Change**	**2020**	**2019**	**% Change**
Revenue	$ 1,748,256	$ 1,825,345	(4.2)%	$ 4,903,370	$ 5,360,808	(8.5)%
Cost of goods and services	1,089,527	1,151,857	(5.4)%	3,080,800	3,391,185	(9.2)%
Gross profit	658,729	673,488	(2.2)%	1,822,570	1,969,623	(7.5)%
Gross profit margin	*37.7 %*	*36.9 %*	*0.8*	*37.2 %*	*36.7 %*	*0.5*
Selling, general and administrative expenses	381,831	390,775	(2.3)%	1,135,512	1,195,875	(5.0)%
Selling, general and administrative expenses as a percent of revenue	*21.8 %*	*21.4 %*	*0.4*	*23.2 %*	*22.3 %*	*0.9*
Loss on assets held for sale	—	—	nm*	—	46,946	nm*
Operating earnings	276,898	282,713		687,058	726,802	
Interest expense	27,724	31,410	(11.7)%	83,703	94,972	(11.9)%
Interest income	(960)	(1,263)	(24.0)%	(2,871)	(3,098)	(7.3)%
Loss (gain) on sale of a business	557	—	nm*	(5,213)	—	nm*
Other income, net	(1,420)	(5,364)	nm*	(9,887)	(11,059)	nm*
Earnings before provision for income taxes	250,997	257,930	(2.7)%	621,326	645,987	(3.8)%
Provision for income taxes	50,697	51,924	(2.4)%	119,981	136,191	(11.9)%
Effective tax rate	*20.2 %*	*20.1 %*	*0.1*	*19.3 %*	*21.1 %*	*(1.8)*
Net earnings	200,300	206,006	(2.8)%	501,345	509,796	(1.7)%
Net earnings per common share - diluted	$ 1.38	$ 1.40	(1.4)%	$ 3.45	$ 3.47	(0.6)%

* nm - not meaningful

Revenue

Revenue for the three months ended September 30, 2020 decreased $77.1 million, or 4.2%, from the prior year comparable quarter. Results included an organic revenue decline of 5.1% primarily due to lower sales volumes due to pandemic-related slowness in our markets. Acquisition-related revenue growth of 1.0%, led by our Imaging & Identification and Pumps & Process Solutions segments, along with a favorable impact from foreign currency translation of 0.7% was partially offset by a 0.8% impact from a disposition within the Refrigeration & Food Equipment segment. Customer pricing favorably impacted revenue by approximately 0.5% in the third quarter of 2020.

Revenue for the nine months ended September 30, 2020 decreased $457.4 million, or 8.5%, from the prior year comparable period. The decrease primarily reflects an organic revenue decline of 8.0% across all our segments due to the adverse impact of COVID-19. Acquisition-related growth was 0.8% led by our Imaging & Identification and Pumps & Process Solutions segments. This growth was more than offset by an unfavorable impact from foreign currency translation of 0.6% and a 0.7% impact from dispositions within the Refrigeration & Food Equipment and Pumps & Process Solutions segments. Customer pricing favorably impacted revenue by approximately 0.6% for the nine months ended September 30, 2020.

Gross Profit

Gross profit for the three months ended September 30, 2020 decreased $14.8 million, or 2.2% from the prior year comparable quarter, primarily due to organic revenue declines, increased material and inflation costs and higher restructuring costs, partially offset by favorable business mix, pricing initiatives, benefits from productivity initiatives, restructuring and cost containment actions, including adjustments to direct and indirect manufacturing costs to current demand levels and short-term actions to reduce labor costs. Gross profit margin increased 80 basis points to 37.7%, due to benefits from productivity initiatives and restructuring and cost containment actions.

Gross profit for the nine months ended September 30, 2020 decreased $147.1 million, or 7.5%, from the prior year comparable period, primarily due to an organic revenue declines, increased material and inflation costs and higher restructuring costs, partially offset by productivity initiatives and restructuring and cost containment actions. Gross profit margin increased by 50 basis points to 37.2% for the nine months ended September 30, 2020 from the comparable period primarily due to benefits from productivity initiatives and restructuring and cost containment actions. We are managing production at our operating plants aggressively to match demand.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the three months ended September 30, 2020 decreased $8.9 million, or 2.3%, from the prior year comparable quarter, primarily due to continued cost reduction actions to offset revenue declines, including a reduction in discretionary spend and adjustments to variable compensation to reflect current conditions, and benefits from rightsizing actions. As a percentage of revenue, selling, general and administrative expenses increased 40 basis points to 21.8% due to the decline in revenue base. As we continue to respond to the impact of COVID-19, we expect sustained reductions in discretionary spend and headcount to match demand.

Selling, general and administrative expenses for the nine months ended September 30, 2020 decreased $60.4 million, or 5.0%, from the prior year comparable period, primarily due to a reduction in discretionary spend and benefits from rightsizing actions, partially offset by higher restructuring charges and a write-off of assets. Selling, general and administrative expenses as a percentage of revenue increased 90 basis points as compared to the prior year comparable period reflecting the decrease in revenue base.

Research and development costs, including qualifying engineering costs, are expensed when incurred and amounted to $36.4 million and $32.1 million for the three months ended September 30, 2020 and 2019, respectively, and $106.7 million and $102.0 million, for the nine months ended September 30, 2020 and 2019, respectively. These costs as a percent of revenue were 2.1% and 1.8% for the three months ended September 30, 2020 and 2019, respectively, and 2.2% and 1.9% for the nine months ended September 30, 2020 and 2019, respectively.

Loss on assets held for sale

On March 29, 2019, we entered into a definitive agreement to sell Finder Pompe S.r.l. ("Finder") for total consideration of approximately $23.6 million net of estimated selling costs. As of March 31, 2019, Finder met the criteria to be classified as held for sale and based on the total consideration from the sale, net of selling costs, we recorded a loss on the assets held for sale of $46.9 million. The loss was comprised of an impairment on assets held for sale of $21.6 million and foreign currency translation losses reclassified from accumulated other comprehensive losses to current earnings of $25.3 million. We subsequently sold Finder on April 2, 2019, which generated total cash proceeds of $24.2 million.

Gain on sale of a business

On March 6, 2020, we sold the Chino, California branch of The AMS Group ("AMS Chino") within the Refrigeration & Food Equipment segment for total consideration of $15.4 million which included a working capital adjustment. A gain of $5.2 million was recognized on this sale. The disposal did not represent a strategic shift in operations and, therefore, did not qualify for presentation as discontinued operations.

Other income, net

Other income, net for the three months and nine months ended September 30, 2020 decreased $3.9 million and $1.2 million respectively from prior year comparable periods primarily due to foreign exchange losses from the remeasurement of foreign currency denominated balances.

Income Taxes

The effective tax rates for the three months ended September 30, 2020 and 2019 were 20.2% and 20.1%, respectively. The increase in the effective tax rate for the three months ended September 30, 2020 relative to the prior year comparable quarter was primarily driven by discrete items.

The effective tax rates for the nine months ended September 30, 2020 and 2019 were 19.3% and 21.1%, respectively. The decrease in the effective tax rate for the nine months ended September 30, 2020 relative to the prior year comparable period was primarily driven by the exclusion of capital losses on the sale of Finder under local law in the prior year, partially offset by the impact of other discrete tax items.

Dover and its subsidiaries file tax returns in the U.S., including various state and local returns, and in other foreign jurisdictions. We believe adequate provision has been made for all income tax uncertainties. The Company is routinely audited by taxing authorities in its filing jurisdictions, and a number of these audits are currently underway. The Company believes that within the next twelve months uncertain tax positions may be resolved and statutes of limitations will expire, which could result in a decrease in the gross amount of unrecognized tax benefits of approximately zero to $9.8 million.

Net earnings

Net earnings for the three months ended September 30, 2020 decreased 2.8% to $200.3 million, or $1.38 diluted earnings per share, from $206.0 million, or $1.40 diluted earnings per share, from the prior year comparable quarter. The decrease in net earnings was mainly attributable to reduced volume due to the impact of COVID-19, increased material and inflation costs and higher restructuring costs. The reduction was partially offset by broad-based cost containment actions and benefits from productivity and restructuring actions.

Net earnings for the nine months ended September 30, 2020 decreased 1.7% to $501.3 million, or $3.45 diluted earnings per share, from $509.8 million, or $3.47 diluted earnings per share, from the prior year comparable period. The decrease in net earnings was primarily due to the impact of COVID-19, increased material and inflation costs, and higher restructuring costs. The decrease in net earnings was partially offset by broad-based cost containment actions, benefits from productivity and restructuring actions, and a loss on assets held for sale of $46.9 million in the prior period.

Rightsizing Activities, which includes Restructuring and Other Costs

During the three and nine months ended September 30, 2020, rightsizing activities included restructuring charges of $6.7 million and $26.4 million, respectively, and other benefits of $0.9 million and costs of $4.2 million, respectively. Restructuring expense was comprised primarily of new actions taken in response to lower demand driven by COVID-19 as well as continuing broad-based selling, general and administrative expense reduction initiatives and broad-based operational efficiency initiatives focusing on footprint consolidation and operational optimization and IT centralization. Other costs and benefits comprised primarily of charges related to the restructuring actions offset by a $1.7 million gain on sale of assets in our Refrigeration & Food Equipment segment as a result of restructuring actions. These rightsizing charges were recorded in cost of goods and services and selling, general and administrative expenses in the Condensed Consolidated Statement of Earnings. Additional programs beyond the scope of the announced programs may be implemented during 2020 with related restructuring charges.

We recorded the following rightsizing costs for the three and nine months ended September 30, 2020:

	Three Months Ended September 30, 2020						
(dollars in thousands)	**Engineered Products**	**Fueling Solutions**	**Imaging & Identification**	**Pumps & Process Solutions**	**Refrigeration & Food Equipment**	**Corporate**	**Total**
Restructuring (GAAP)	$ 2,342	$ 1,572	$ 99	$ 1,719	$ 534	$ 474	$ 6,740
Other costs (benefits), net	33	43	—	52	(1,505)	485	(892)
Rightsizing (Non-GAAP)	$ 2,375	$ 1,615	$ 99	$ 1,771	$ (971)	$ 959	$ 5,848

	Nine Months Ended September 30, 2020						
(dollars in thousands)	**Engineered Products**	**Fueling Solutions**	**Imaging & Identification**	**Pumps & Process Solutions**	**Refrigeration & Food Equipment**	**Corporate**	**Total**
Restructuring (GAAP)	$ 6,860	$ 3,958	$ (167)	$ 10,271	$ 3,307	$ 2,136	$ 26,365
Other costs, net	45	18	3	37	2,442	1,637	4,182
Rightsizing (Non-GAAP)	$ 6,905	$ 3,976	$ (164)	$ 10,308	$ 5,749	$ 3,773	$ 30,547

During the three and nine months ended September 30, 2019, rightsizing activities included restructuring charges of $3.3 million and $12.0 million, respectively, and other costs of $0.5 million and $2.2 million, respectively. Restructuring expense was related to two significant rightsizing restructuring programs initiated in 2018, comprised primarily of broad-based selling, general and administrative expense reduction and footprint consolidation initiatives. Other costs were comprised primarily of other charges related to the restructuring actions. These rightsizing charges were recorded in cost of goods and services and selling, general and administrative expenses in the Condensed Consolidated Statement of Earnings.

We recorded the following rightsizing costs for the three and nine months ended September 30, 2019:

	Three Months Ended September 30, 2019						
(dollars in thousands)	**Engineered Products**	**Fueling Solutions**	**Imaging & Identification**	**Pumps & Process Solutions**	**Refrigeration & Food Equipment**	**Corporate**	**Total**
Restructuring (GAAP)	$ 556	$ 825	$ 296	$ 907	$ 495	$ 257	$ 3,336
Other costs (benefits), net	34	(14)	5	36	345	65	471
Rightsizing (Non-GAAP)	$ 590	$ 811	$ 301	$ 943	$ 840	$ 322	$ 3,807

	Nine Months Ended September 30, 2019						
(dollars in thousands)	**Engineered Products**	**Fueling Solutions**	**Imaging & Identification**	**Pumps & Process Solutions**	**Refrigeration & Food Equipment**	**Corporate**	**Total**
Restructuring (GAAP)	$ 1,757	$ 3,339	$ 1,973	$ 1,789	$ 2,134	$ 1,018	$ 12,010
Other costs (benefits), net	38	(8)	(15)	471	1,666	65	2,217
Rightsizing (Non-GAAP)	$ 1,795	$ 3,331	$ 1,958	$ 2,260	$ 3,800	$ 1,083	$ 14,227

SEGMENT RESULTS OF OPERATIONS

The summary that follows provides a discussion of the results of operations of each of our five reportable operating segments (Engineered Products, Fueling Solutions, Imaging & Identification, Pumps & Process Solutions, and Refrigeration & Food Equipment). Each of these segments is comprised of various product and service offerings that serve multiple markets. See Note 17 — Segment Information in the Condensed Consolidated Financial Statements in Item 1 of this Form 10-Q for a reconciliation of segment revenue and earnings to our consolidated revenue and net earnings. For further information, see "Non-GAAP Disclosures" at the end of this Item 2.

Additionally, we use the following operational metrics in monitoring the performance of the business. We believe the operational metrics are useful to investors and other users of our financial information in assessing the performance of our segments:

- Bookings represent total orders received from customers in the current reporting period. This metric is an important measure of performance and an indicator of revenue order trends.
- Organic bookings represent total orders received from customers in the current reporting period excluding the impact of foreign currency exchange rates and the impact of acquisitions and dispositions. This metric is an important measure of performance and an indicator of revenue order trends.
- Backlog represents an estimate of the total remaining bookings at a point in time for which performance obligations have not yet been satisfied. This metric is useful as it represents the aggregate amount we expect to recognize as revenue in the future.
- Book-to-bill is a ratio of the amount of bookings received from customers during a period divided by the amount of revenue recorded during that same period. This metric is a useful indicator of demand.

Engineered Products

Our Engineered Products segment is a provider of a wide range of products, software and services that have broad customer applications across a number of markets, including aftermarket vehicle service, solid waste handling, industrial automation, aerospace and defense, industrial winch and hoist, and fluid dispensing.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(dollars in thousands)	2020	2019	% Change	2020	2019	% Change
Revenue	$ 386,562	$ 426,689	(9.4)%	$ 1,137,102	$ 1,275,468	(10.8)%
Segment earnings (EBIT)	$ 64,890	$ 74,367	(12.7)%	$ 181,686	$ 218,615	(16.9)%
Depreciation and amortization	10,717	10,095	6.2 %	30,561	30,906	(1.1)%
Segment EBITDA	$ 75,607	$ 84,462	(10.5)%	$ 212,247	$ 249,521	(14.9)%
Segment margin	16.8 %	17.4 %		16.0 %	17.1 %	
Segment EBITDA margin	19.6 %	19.8 %		18.7 %	19.6 %	
Other measures:						
Bookings	$ 381,139	$ 426,059	(10.5)%	$ 1,074,484	$ 1,251,176	(14.1)%
Backlog				$ 373,458	$ 416,025	(10.2)%
Components of revenue decline:						
Organic decline			(10.4)%			(10.9)%
Acquisitions			0.3 %			0.2 %
Foreign currency translation			0.7 %			(0.1)%
			(9.4)%			(10.8)%

Third Quarter 2020 Compared to the Third Quarter 2019

Engineered Products segment revenue for the third quarter of 2020 decreased $40.1 million, or 9.4%, as compared to the third quarter of 2019, comprised of organic decline of 10.4%, partially offset by a favorable impact from foreign currency translation of 0.7% and acquisition-related growth of 0.3%. Acquisition-related growth was driven by the acquisition of So. Cal. Soft-Pak ("Soft-Pak"). Customer pricing favorably impacted revenue by approximately 0.5% in the third quarter of 2020.

The organic revenue decline was primarily driven by the global economic downturn precipitated by the COVID-19 pandemic. The impact continued to be broad-based, with the most significant impacts in the third quarter experienced in our waste handling, industrial winch and hoist, industrial automation and fluid dispensing businesses. In waste handling we continued to experience headwinds on new order activity in the quarter as waste haulers and municipalities reduced current year capital budgets to preserve cash flow, and orders for compaction and recycling solutions remained below prior year levels; the comparison is further challenged since our waste handling business recorded all-time highest revenue in the third quarter of 2019. Although headwinds from the COVID-19 pandemic remain across the majority of our businesses, sequential activity improved from the second quarter to the third quarter in a number of businesses, most notably in our vehicle service and industrial automation businesses. Our vehicle service business revenues in particular returned to a level that was only slightly below those experienced in the third quarter of last year. Our aerospace & defense business also demonstrated continued resilience, posting strong year over year revenue growth in the quarter on the back of a strong backlog of orders from defense customers.

While we experienced improvements in the third quarter in several businesses, we expect the global COVID-19 pandemic to continue to impact demand for capital equipment and segment results for the remainder of the year as demand headwinds across our businesses persist, and as a result, we continue to focus on initiatives that align the cost structures of our businesses with near-term demand levels. Despite those near-term demand headwinds, we expect that demand for our products will continue its long term favorable growth trend, and believe the fundamental long term demand drivers across our end-markets remain constructive.

Engineered Products segment earnings decreased $9.5 million, or 12.7%, compared to the third quarter of 2019. The decrease was primarily driven by the continued impact of the COVID-19 pandemic on customer spending. This was partially offset by cost containment initiatives we executed in the second quarter. These initiatives include actions to adjust direct and indirect manufacturing costs to current demand levels, the execution of short-term actions to reduce labor costs, the elimination of non-essential travel, third party and other expenses, the recognition of adjustments to variable compensation to reflect current conditions, the execution of selective structural cost actions aimed at streamlining our businesses, and a detailed review and re-prioritization of all planned investments and hiring plans. These actions will remain in place until sustained improvements in near-term demand are realized. Segment operating margin decreased 60 basis points to 16.8% from 17.4% as compared to the prior year quarter.

Bookings decreased 10.5% for the segment, comprised of an organic decline of 11.6%, partially offset by a favorable impact from foreign currency of 0.7% and acquisition-related growth of 0.4%. The organic bookings decline was broad-based and primarily driven by the global impact on customer demand of the COVID-19 pandemic. Segment book-to-bill was 0.99. Backlog decreased 10.2% compared to the prior year quarter.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

Engineered Products revenue for the nine months ended September 30, 2020 decreased $138.4 million, or 10.8%, compared to the prior year comparable period. This was comprised of organic revenue decline of 10.9% and an unfavorable impact from foreign currency translation of 0.1%, partially offset by acquisition-related growth of 0.2%. The organic revenue decline was primarily driven by the broad-based impact to customer spending of the global economic downturn precipitated by the COVID-19 pandemic. The impact began in the first quarter with government mandated shutdowns in China and Italy impacting our vehicle service business as well as a voluntary shutdown in the U.S. of a facility serving the automotive original equipment manufacturer ("OEM") market. The impact then became more broad-based in the early part of the second quarter, before experiencing sequential improvements toward the end of the second quarter and through the third quarter. Despite improving conditions, demand headwinds persisted in the third quarter. Customer pricing favorably impacted revenue by approximately 0.3% for the nine months ended September 30, 2020.

Segment earnings for the nine months ended September 30, 2020 decreased $36.9 million, or 16.9%, as compared to the 2019 comparable period. This decrease was primarily driven by the earnings impact from lower revenues due to the global COVID-19 pandemic, partially offset by significant cost reduction initiatives. Segment margin decreased from 17.1% to 16.0% as compared to the prior year comparable period.

Fueling Solutions

Our Fueling Solutions segment is focused on providing components, equipment and software and service solutions enabling safe transport of fuels and other hazardous fluids along the supply chain, as well as the safe and efficient operation of retail fueling and vehicle wash establishments.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(dollars in thousands)	2020	2019	% Change	2020	2019	% Change
Revenue	$ 380,511	$ 411,769	(7.6)%	$ 1,066,988	$ 1,175,405	(9.2)%
Segment earnings	$ 66,601	$ 68,069	(2.2)%	$ 167,313	$ 157,936	5.9 %
Depreciation and amortization	18,014	18,744	(3.9)%	54,321	55,568	(2.2)%
Segment EBITDA	$ 84,615	$ 86,813	(2.5)%	$ 221,634	$ 213,504	3.8 %
Segment margin	17.5 %	16.5 %		15.7 %	13.4 %	
Segment EBITDA margin	22.2 %	21.1 %		20.8 %	18.2 %	
Other measures:						
Bookings	$ 383,902	$ 450,727	(14.8)%	$ 1,068,470	$ 1,188,066	(10.1)%
Backlog				$ 204,574	$ 223,081	(8.3)%
Components of revenue decline:						
Organic decline			(7.9)%			(8.5)%
Acquisitions			— %			0.3 %
Foreign currency translation			0.3 %			(1.0)%
			(7.6)%			(9.2)%

Third Quarter 2020 Compared to the Third Quarter 2019

Fueling Solutions segment revenue for the third quarter of 2020 decreased $31.3 million, or 7.6%, as compared to the third quarter of 2019, comprised of an organic decline of 7.9%, partially offset by a favorable impact from foreign currency translation of 0.3%. Customer pricing favorably impacted revenue by approximately 0.7% in the third quarter of 2020.

The organic revenue decline was principally due to the continued adverse effects of COVID-19 and the tapering of government-mandated underground infrastructure upgrades in China. Demand was also impacted by reductions in capital budgets of vertically-integrated oil companies, which operate a significant share of fuel retail infrastructure outside the North American market. Additionally, our businesses serving the transportation and vehicle wash markets faced reduced capital spending by their customers due to COVID-19 operational disruptions and economic uncertainty. Demand for retail fueling solutions in North America was supported by strong demand and robust orders for EMV-compliant equipment which provided a partial offset to the decline in global sales. We expect activity in the retail fueling market to remain subdued through the end of the year, particularly outside of North America.

Fueling Solutions segment earnings decreased $1.5 million, or 2.2%, over the prior year comparable quarter. The decrease was predominantly driven by the global impact of COVID-19 which depressed volume and demand. This decline was partially offset by favorable geographic and product mix, productivity actions including realized restructuring benefits and selling, general and administrative cost reductions, and pricing initiatives. Segment margin increased to 17.5% from 16.5% in the prior year quarter.

Overall bookings decreased 14.8% as compared to the prior year comparable quarter, driven by organic decline of 14.2% and an unfavorable impact from foreign currency translation of 0.6%. Organic bookings decline was primarily driven by the global impact on customer demand caused by the COVID-19 pandemic, slower demand from vertically-integrated oil companies and prior year bookings reflected increased orders of underground equipment in China due to government-mandated site infrastructure upgrade activity. This was partially offset by high order trends for EMV equipment in North America. Segment book to bill was 1.01. Backlog decreased 8.3% as compared to the prior year comparable quarter primarily as a result of lower second and third quarter bookings.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

Fueling Solutions segment revenue decreased $108.4 million, or 9.2%, as compared to the nine months ended September 30, 2019, attributable to organic decline of 8.5% and an unfavorable impact from foreign currency translation of 1.0%, partially offset by acquisition-related growth of 0.3%. Organic revenue decline was due to slowing in the retail fueling market in China and other parts of the world outside of North America, as well as slowing in global fluid transfer and tunnel vehicle wash businesses, partially offset by strong EMV activity in the North America fueling industry. The decline was primarily driven by the global adverse impacts triggered by COVID-19 beginning in the middle of the first quarter and continuing through the third quarter. Government-mandated shutdowns in China, India and Italy affected production and demand early in the year. Shutdowns continued into May in certain regions. We expect activity in the retail fueling market to remain subdued through the end of the year, particularly outside of North America. Customer pricing favorably impacted revenue by approximately 1.1% for the nine months ended September 30, 2020.

Fueling Solutions segment earnings increased $9.4 million, or 5.9%, for the nine months ended September 30, 2020. The increase was driven by favorable geographic mix, pricing and productivity initiatives, selling, general and administrative cost containment, and favorable impact from foreign currency translation. These benefits were partially offset by weakened organic volume due to COVID-19. Segment margin increased 230 basis points to 15.7% from 13.4% in the prior year comparable period.

Imaging & Identification

Our Imaging & Identification segment supplies precision marking and coding, product traceability and digital textile printing equipment, as well as related consumables, software and services.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(dollars in thousands)	2020	2019	% Change	2020	2019	% Change
Revenue	$ 265,690	$ 275,109	(3.4)%	$ 750,432	$ 810,051	(7.4)%
Segment earnings	$ 51,928	$ 61,655	(15.8)%	$ 141,456	$ 172,251	(17.9)%
Depreciation and amortization	9,809	7,360	33.3 %	27,802	22,208	25.2 %
Segment EBITDA	$ 61,737	$ 69,015	(10.5)%	$ 169,258	$ 194,459	(13.0)%
Segment margin	19.5 %	22.4 %		18.8 %	21.3 %	
Segment EBITDA margin	23.2 %	25.1 %		22.6 %	24.0 %	
Other measures:						
Bookings	$ 266,423	$ 284,527	(6.4)%	$ 760,342	$ 816,464	(6.9)%
Backlog				$ 171,158	$ 121,877	40.4 %
Components of revenue decline:						
Organic decline			(7.6)%			(8.6)%
Acquisitions			4.3 %			3.4 %
Foreign currency translation			(0.1)%			(2.2)%
			(3.4)%			(7.4)%

Third Quarter 2020 Compared to the Third Quarter 2019

Imaging & Identification segment revenue for the third quarter of 2020 decreased $9.4 million, or 3.4%, as compared to the third quarter of 2019, comprised of an organic decline of 7.6% and an unfavorable impact from foreign currency translation of 0.1%, partially offset by acquisition-related growth of 4.3%. Acquisition-related growth was driven by the acquisition of Sys-Tech Solutions, Inc. ("Systech") in the first quarter and Solaris, which closed in the third quarter. Customer pricing favorably impacted revenue by approximately 0.3% in the third quarter of 2020.

The organic revenue decline was primarily driven by the global economic downturn precipitated by the COVID-19 pandemic. We continued to experience significant unfavorable impact in our digital textile printing business. Digital textile printing activity has improved throughout the third quarter, driven by demand for home decor and sportswear apparel products, however activity in fashion and general apparel printing remains slower compared to prior year. This dynamic resulted in improving demand for our inks and consumables that are closely tied to current levels of activity and continued dampening of customers' need and appetite for investments in new machinery. Our marking and coding business posted approximately flat revenue driven by continued solid demand for consumables, particularly inks for food and beverage, cleaning supplies, pharmaceuticals and medical supplies, and delayed conversion of a strong pipeline for equipment sales as customers remain cautious towards capital expenditures and operational disruption amidst high utilization rates.

We expect the resiliency of our marking and coding business to continue in the fourth quarter, and continue to anticipate a favorable long-term growth trend thereafter, supported by constructive secular trends in demand for product traceability, identification, differentiation, and brand protection solutions. We expect continued slowness in new orders in the fourth quarter for the digital printing business driven by uncertainty and disruption in the apparel markets, although we expect the trajectory to improve sequentially based on most recent trends. We believe we also remain favorably positioned to exploit a longer-term transition from analog to digital printing by our customers.

Imaging & Identification segment earnings decreased $9.7 million, or 15.8%, over the prior year comparable quarter. This decrease was primarily driven by the impact of continued reduced consumer spending on clothing, sports apparel, and other textile products that impact our digital printing customers. Partially offsetting this decrease were continued cost containment initiatives in the third quarter. These initiatives included actions to adjust direct and indirect manufacturing cost to current demand levels, the execution of short-term actions to reduce labor costs, the elimination of non-essential travel, third party and other expenses, the recognition of adjustments to variable compensation to reflect current conditions, the execution of selective structural cost actions aimed at streamlining our business, and a detailed review and re-prioritization of all planned investments and hiring plans. These actions have been taken deliberately and strategically, and have allowed us to rationalize current spending to levels appropriate given near-term market conditions, while preserving our ability to capitalize on long-term secular growth trends. Segment margin decreased to 19.5% from 22.4% in the prior year comparable quarter.

Overall bookings decreased 6.4% as compared to the prior year comparable quarter, reflecting an organic decline of 9.9% and an unfavorable impact from foreign currency translation of 0.2%, partially offset by acquisition-related growth of 3.7%. The organic reduction was the result of a year over year reduction in new orders for equipment and consumables in our digital printing business. Segment book to bill was 1.00. Backlog increased 40.4% as compared to the prior year quarter driven by the inclusion of backlog from the Systech and Solaris acquisitions, and sustained bookings for consumables in marking and coding.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

Imaging & Identification segment revenue decreased $59.6 million, or 7.4%, as compared to the nine months ended September 30, 2019, attributable to organic decline of 8.6% and an unfavorable impact from foreign currency translation of 2.2%, partially offset by acquisition-related growth of 3.4%. The organic revenue decline was primarily driven by the impact to consumer spending of the aforementioned global economic downturn precipitated by the COVID-19 pandemic. This impact began in the first quarter and although activity levels started to recover through the second and third quarter, we continue experience reduced activity on a year over year basis, most notably in our digital printing business. Customer pricing favorably impacted revenue by approximately 0.6% for the nine months ended September 30, 2020.

Imaging & Identification segment earnings decreased $30.8 million, or 17.9%, for the nine months ended September 30, 2020 over the prior year comparable period. The decrease was primarily driven by the earnings impact from lower revenues due to the global COVID-19 pandemic, partially offset by the significant cost reduction initiatives. Segment margin decreased to 18.8% from 21.3% in the prior year comparable quarter.

Pumps & Process Solutions

Our Pumps & Process Solutions segment manufactures specialty pumps, fluid handling components, plastics and polymer processing equipment, and highly engineered components for rotating and reciprocating machines.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(dollars in thousands)	2020	2019	% Change	2020	2019	% Change
Revenue	$ 347,875	$ 341,337	1.9 %	$ 976,506	$ 1,010,480	(3.4)%
Segment earnings [(1)]	$ 89,786	$ 77,433	16.0 %	$ 223,567	$ 168,702	32.5 %
Depreciation and amortization	17,206	16,018	7.4 %	53,114	49,767	6.7 %
Segment EBITDA [(1)]	$ 106,992	$ 93,451	14.5 %	$ 276,681	$ 218,469	26.6 %
Segment margin [(1)]	25.8 %	22.7 %		22.9 %	16.7 %	
Segment EBITDA margin [(1)]	30.8 %	27.4 %		28.3 %	21.6 %	
Other measures:						
Bookings	$ 323,801	$ 329,642	(1.8)%	$ 969,076	$ 1,075,348	(9.9)%
Backlog				$ 361,631	$ 361,478	— %
Components of revenue growth (decline):						
Organic decline			(0.9)%			(3.6)%
Acquisitions			1.3 %			1.1 %
Dispositions			— %			(0.6)%
Foreign currency translation			1.5 %			(0.3)%
			1.9 %			(3.4)%

(1) Segment earnings (EBIT) and segment EBITDA for the nine months ended September 30, 2019 include a $46,946 loss on assets held for sale for Finder.

Third Quarter 2020 Compared to the Third Quarter 2019

Pumps & Process Solutions segment revenue for the third quarter of 2020 increased $6.5 million, or 1.9%, as compared to the third quarter of 2019, comprised of a favorable impact from foreign currency translation of 1.5% and acquisition-related growth of 1.3%, partially offset by organic decline of 0.9%. Acquisition-related growth was driven by the acquisition of Em-tec GmbH ("Em-tec"). Customer pricing favorably impacted revenue by approximately 1.1% in the third quarter of 2020.

The organic revenue decline was principally driven by continued comparable weakness in demand for compression components and aftermarket services due to lower activity in the North American oil & gas sector, as well as continued slower demand for industrial pumps due to pandemic-related disruptions. The decline was almost completely offset by strong performance in the biopharma and hygienic markets, as well as robust demand in specialty pumps for defense applications and strong shipments against a significant backlog in the plastics & polymer processing business. We expect the segment revenue trajectory from the third quarter to directionally continue into the fourth quarter.

Pumps & Process Solutions segment earnings increased $12.4 million, or 16.0%, over the prior year comparable quarter. The increase was primarily driven by strategic pricing initiatives, productivity actions, restructuring benefits, favorable impact from foreign currency translation, and selling, general and administrative cost reductions. The cost reductions include the elimination of non-essential travel, third party and other expenses, and re-prioritization of all planned investments and hiring plans. This increase was partially offset by unfavorable changes in material and inflation costs. Segment margin increased to 25.8% from 22.7% from the prior year comparable quarter.

Overall bookings decreased 1.8% as compared to the prior year comparable quarter, reflecting organic decline of 3.7% partially offset by a favorable impact from foreign currency translation of 1.3% and acquisition-related growth of 0.6%. Organic bookings decline was primarily driven by the continued COVID-19 global impact on customer demand, as well as a high comparable benchmark from the prior year driven by large government orders, and partially offset by growth in the biopharma and hygienic markets. Segment book to bill was 0.93. Backlog remained flat compared to the prior year comparable quarter.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

Pumps & Process Solutions segment revenue decreased $34.0 million, or 3.4%, as compared to the nine months ended September 30, 2019, attributable to organic decline of 3.6%, an unfavorable impact from foreign currency translation of 0.3% and a 0.6% impact from dispositions, partially offset by acquisition-related growth of 1.1%. The organic decline was primarily driven by continued slow demand in the oil & gas market as well as government mandated facility shutdowns during the first half of the year. We expect demand headwinds to continue into the fourth quarter in the oil and gas industry offset by volume growth in the biopharma and hygienic markets. Customer pricing favorably impacted revenue by approximately 1.0% for the nine months ended September 30, 2020.

Pumps & Process Solutions segment earnings increased $54.9 million, or 32.5%, for the nine months ended September 30, 2020 over the prior year comparable period. Segment earnings for the nine months ended September 30, 2019 included a loss on assets held for sale for Finder of $46.9 million. Excluding the loss, segment earnings increased $7.9 million, predominantly driven by pricing initiatives, productivity actions, restructuring benefits, and selling, general and administrative cost reductions. These benefits were partially offset by the global impact of COVID-19 on volume and an unfavorable impact from material and inflation costs. Segment margin increased to 22.9% from 16.7% from the prior year comparable period, which included the loss on Finder.

Refrigeration & Food Equipment

Our Refrigeration & Food Equipment segment is a provider of innovative and energy-efficient equipment and systems that serve the commercial refrigeration, heating and cooling and food equipment markets.

	Three Months Ended September 30,			Nine Months Ended September 30,		
(dollars in thousands)	2020	2019	% Change	2020	2019	% Change
Revenue	$ 368,395	$ 370,335	(0.5)%	$ 973,835	$ 1,090,452	(10.7)%
Segment earnings[1]	$ 40,159	$ 35,211	14.1 %	$ 75,147	$ 104,393	(28.0)%
Depreciation and amortization	12,081	13,047	(7.4)%	35,050	38,835	(9.7)%
Segment EBITDA[1]	$ 52,240	$ 48,258	8.3 %	$ 110,197	$ 143,228	(23.1)%
Segment margin[1]	10.9 %	9.5 %		7.7 %	9.6 %	
Segment EBITDA margin[1]	14.2 %	13.0 %		11.3 %	13.1 %	
Other measures:						
Bookings	$ 449,549	$ 323,422	39.0 %	$ 1,131,106	$ 1,084,785	4.3 %
Backlog				$ 472,140	$ 262,870	79.6 %
Components of revenue decline:						
Organic growth (decline)			2.6 %			(7.6)%
Dispositions			(3.8)%			(3.0)%
Foreign currency translation			0.7 %			(0.1)%
			(0.5)%			(10.7)%

[1] Segment earnings (EBIT) and Segment EBITDA for the three and nine months ended September 30, 2020 include a $557 expense and a $5,213 net gain on the sale of AMS Chino, respectively. The nine months ended September 30, 2020 also include a $3,640 write-off of assets.

Third Quarter 2020 Compared to the Third Quarter 2019

Refrigeration & Food Equipment segment revenue decreased $1.9 million, or 0.5%, as compared to the third quarter of 2019, reflecting a 3.8% impact from the disposition of AMS Chino, partially offset by organic revenue growth of 2.6% and a favorable impact from foreign currency translation of 0.7%. Customer pricing did not have a significant impact on revenue in the third quarter of 2020.

The organic revenue growth was principally driven by recovering demand in food retail as supermarket customers resumed their remodeling programs, as well as large shipments against backlog in the aluminum can shaping business. Our heat exchanger business posted approximately flat revenue year-over-year as weakness in HVAC applications was offset by robust demand in residential and industrial applications, including semiconductor production and server and medical cooling. Commercial foodservice markets remained challenged, with improving activity in the restaurant chain end-market only partially offset by continued declines in institutional (education, sports and large event venues, et cetera) and independent restaurant markets.

We expect continued strength in the aluminum can shaping market due to secular shifts away from plastic containers in favor of aluminum, as well as a significant increase in demand for canned beverages and food due to the shift to at-home consumption. However, food retailers will likely exhibit normal seasonally slower activity in the fourth quarter due to holidays resulting in sequentially lower revenue as we finish the year.

Refrigeration & Food Equipment segment earnings increased $4.9 million, or 14.1%, as compared to the third quarter of 2019. Segment margin increased to 10.9% from 9.5% in the prior year comparable quarter. The earnings growth was driven by leverage on increased organic volumes, broad-based cost reduction and productivity initiatives, a $1.7 million gain on sale of assets, and deferral of planned selling, general, and administrative investments, partially offset by the disposition of AMS Chino and higher restructuring costs primarily associated with segment-wide reductions in force.

Bookings in the third quarter of 2020 increased 39.0% from the prior year comparable quarter, reflecting organic growth of 41.3%,a favorable impact from foreign currency translation of 0.9%, partially offset by a 3.2% impact from the disposition of AMS Chino. The organic growth was driven principally by large project awards for aluminum can shaping equipment supported by market trends of beverage companies shifting away from plastic and glass containers in favor of aluminum. Additionally, both our retail refrigeration and heat exchanger business experienced stronger order rates, partially offset by ongoing softness in foodservice equipment. Segment book to bill for the third quarter of 2020 was 1.22. Backlog increased 79.6% over the prior year comparable quarter, principally driven by our aluminum can shaping equipment business as well as an increase in our retail refrigeration business.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

Refrigeration & Food Equipment segment revenue decreased $116.6 million, or 10.7%, compared to the nine months ended September 30, 2019, reflecting an organic revenue decline of 7.6%, a 3.0% impact from the disposition of AMS Chino and an unfavorable foreign currency translation of 0.1%. The organic revenue decline for the nine months ended September 30, 2020 was driven primarily by the impact of COVID-19 on a global basis. This impact began in the first quarter with operations shut down in China and Malaysia as well as interruptions in North American facilities. Intermittent disruptions continued in the second quarter and lessened in the third quarter. We expect continued strength in the aluminum can shaping market and near-term growth in the retail refrigeration market driven by the recent wear and tear on our customers' existing assets driving equipment replacement programs. Customer pricing favorably impacted revenue by approximately 0.3% for the nine months ended September 30, 2020.

Refrigeration & Food Equipment segment earnings decreased $29.2 million, or 28.0%, for the nine months ended September 30, 2020, as compared to the prior year comparable period. Segment margin decreased to 7.7% from 9.6% in the prior year comparable period due to substantially reduced revenues and operational inefficiencies associated with COVID-19, increased restructuring expenses and a $3.6 million write-off of assets, partially offset by the gain on sale from the disposition of AMS Chino, a $1.7 million gain on sale of assets, and other broad-based cost reduction activities.

FINANCIAL CONDITION

We assess our liquidity in terms of our ability to generate cash to fund our operating, investing and financing activities. Significant factors affecting liquidity are: cash flows generated from operating activities, capital expenditures, acquisitions, dispositions, dividends, repurchases of outstanding shares, adequacy of available commercial paper and bank lines of credit, and the ability to attract long-term capital with satisfactory terms. We generate substantial cash from the operations of our businesses and remain in a strong financial position, with sufficient liquidity available to support continued operations, reinvest in existing businesses and fund strategic acquisitions, while maintaining our prudent capital structure on a short and long-term basis.

Cash Flow Summary

The following table is derived from our Condensed Consolidated Statements of Cash Flows:

	Nine Months Ended September 30,	
Cash Flows *(dollars in thousands)*	**2020**	**2019**
Net Cash Flows Provided By (Used In):		
Operating activities	$ 686,919	$ 584,098
Investing activities	(362,998)	(336,057)
Financing activities	(283,336)	(302,430)

Operating Activities

Cash provided by operating activities for the nine months ended September 30, 2020 increased approximately $102.8 million compared to the comparable period in 2019. This increase was primarily driven by improvements in working capital of $66.1 million, permitted deferrals of tax payments and advanced payments on contracts, partially offset by lower net earnings, excluding the impact of depreciation, amortization, loss on assets held for sale and gain on sale of a business.

We participated in certain government economic stabilization programs to enhance our liquidity. We deferred approximately $40 million of U.S. and state income tax payments from the second quarter to the third quarter of 2020, which has now been paid. Additionally, under the U.S. CARES Act, we deferred a total of approximately $20 million of payroll taxes in the second and third quarters to be paid equally in the fourth quarters of 2021 and 2022.

Adjusted Working Capital: We believe adjusted working capital (a non-GAAP measure calculated as accounts receivable, plus inventory, less accounts payable) provides a meaningful measure of our operational results by showing changes caused solely by revenue.

Adjusted Working Capital *(dollars in thousands)*	**September 30, 2020**	**December 31, 2019**
Accounts receivable	$ 1,203,429	$ 1,217,190
Inventories	838,539	806,141
Less: Accounts payable	899,814	983,293
Adjusted working capital	$ 1,142,154	$ 1,040,038

Adjusted working capital increased from December 31, 2019 by $102.1 million, or 9.8%, to $1.1 billion at September 30, 2020, which reflected a decrease of $13.8 million in accounts receivable, an increase of $32.4 million in inventory, and a decrease in accounts payable of $83.5 million.

Investing Activities

Cash provided by or used in investing activities generally results from cash outflows for capital expenditures and acquisitions, offset by proceeds from sales of businesses and property, plant and equipment. For the nine months ended September 30, 2020 and 2019, we used cash in investing activities of $363.0 million and $336.1 million, respectively, driven mainly by the following factors:

- *Acquisitions:* During the nine months ended September 30, 2020, we acquired Systech, Soft-Pak, Em-tec, Solaris, and an immaterial business within the Imaging & Identification, Engineered Products, and Pumps & Process Solutions segments for $258.7 million, net of cash acquired. During the nine months ended September 30, 2019, we acquired Belanger, Inc, All-Flo Pump Company, Limited and an immaterial business within the Fueling Solutions and Pumps and Process Solutions segments for $215.7 million, net of cash acquired.

- *Capital spending:* Our capital expenditures decreased $13.7 million during the nine months ended September 30, 2020 compared to the nine months ended September 30, 2019. The decrease is in line with our reduced capital spending plan for the year as a result of COVID-19, without deferring strategic ongoing initiatives.

- *Proceeds from sale of businesses:* For the nine months ended September 30, 2020, we received proceeds of $15.4 million from the sale of AMS Chino within the Refrigeration & Food Equipment segment. For the nine months ended September 30, 2019, we received proceeds of $24.2 million from the sale of Finder in the second quarter of 2019.

We anticipate that capital expenditures and any acquisitions we make through the remainder of 2020 will be funded from available cash and internally generated funds and through the issuance of commercial paper, use of lines of credit or public or private debt or equity markets, as necessary.

Financing Activities

Our cash flow from financing activities generally relates to the use of cash for the repurchase of our common stock and payments of dividends, offset by net borrowing activity. For the nine months ended September 30, 2020 and 2019, cash used in financing activities was $283.3 million and $302.4 million, respectively, with the activity primarily attributable to the following:

- *Repurchase of common stock:* During the nine months ended September 30, 2020, we used $52.9 million to repurchase 548,659 shares, all of which were purchased in the first quarter. We suspended further share repurchases in the second quarter as a result of business uncertainty related to COVID-19. We lifted this suspension beginning in the third quarter. During the nine months ended September 30, 2019, we used $23.3 million to repurchase 261,807 shares.

- *Long-term debt, commercial paper and notes payable:* During the nine months ended September 30, 2020, we borrowed $500 million under the $1.0 billion five-year unsecured revolving credit facility ("Credit Agreement") in the first quarter which was subsequently repaid during the second quarter. During the nine months ended September 30, 2020, we also received net proceeds from commercial paper of $5.8 million. During the nine months ended September 30, 2019, we repaid $37.7 million of commercial paper and notes payable.

- *Dividend payments:* Dividends paid to shareholders during the nine months ended September 30, 2020 totaled $213.0 million as compared to $211.1 million during the same period in 2019. Our dividends paid per common share increased 1.7% to $1.475 during the nine months ended September 30, 2020 compared to $1.450 during the same period in 2019. The number of common shares outstanding decreased during the nine months ended September 30, 2020 compared to the same period in 2019 as a result of share repurchases completed in 2020 and the fourth quarter of 2019.

- *Payments to settle employee tax obligations:* Payments to settle tax obligations from the exercise of share-based awards declined $7.6 million compared to the prior year period. The decrease is primarily due to the decrease in the number of shares exercised partially offset by an increase in the average stock price compared to the prior year period.

Liquidity and Capital Resources

Free Cash Flow

In addition to measuring our cash flow generation and usage based upon the operating, investing and financing classifications included in the Condensed Consolidated Statements of Cash Flows, we also measure free cash flow (a non-GAAP measure) which represents net cash provided by operating activities minus capital expenditures. We believe that free cash flow is an important measure of operating performance because it provides management and investors a measurement of cash generated from operations that is available for mandatory payment obligations and investment opportunities, such as funding acquisitions, paying dividends, repaying debt and repurchasing our common stock.

The following table reconciles our free cash flow to cash flow provided by operating activities:

Free Cash Flow *(dollars in thousands)*	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Cash flow provided by operating activities	$ 686,919	$ 584,098
Less: Capital expenditures	(123,564)	(137,276)
Free cash flow	$ 563,355	$ 446,822
Free cash flow as a percentage of revenue	11.5 %	8.3 %
Free cash flow as a percentage of net earnings	112.4 %	87.6 %

For the nine months ended September 30, 2020, we generated free cash flow of $563.4 million, representing 11.5% of revenue and 112.4% of net earnings. Free cash flow for the nine months ended September 30, 2020 increased $116.5 million compared to the prior year period, due to higher operating cash flow primarily as a result of improvements in working capital, permitted deferrals of tax payments and advanced payments on contracts, as previously noted, and lower capital expenditures.

We continued to maintain positive free cash flow through the third quarter by proactively managing our working capital and reducing our capital spend for the year, without deferring strategic ongoing initiatives. We also continued to reduce discretionary spend and other costs to align with current demand levels in order to support strong free cash flow generation. We participated in certain government economic stabilization programs to enhance our liquidity by deferring tax payments and utilizing job retention subsidies.

Capitalization

We use commercial paper borrowings for general corporate purposes, including the funding of acquisitions and the repurchase of our common stock. As of September 30, 2020, we maintained a $1 billion Credit Agreement with a syndicate of banks with an expiration date of October 4, 2024. The Credit Agreement is used as liquidity back-up for our commercial paper program.

Beginning in early-to-mid-March 2020, the commercial paper market began to experience very high levels of volatility as a result of COVID-19 related uncertainties. Volatility was most pronounced for "Tier-2" issuers, such as Dover, and impacted both market access and pricing. As a result, on March 16, 2020, the Company borrowed $500 million under the Credit Agreement. Proceeds from the borrowing were used to repay all of the Company's outstanding commercial paper and for general corporate purposes. We subsequently repaid the $500 million using proceeds from commercial paper as volatility in the commercial paper market stabilized and we resumed borrowing commercial paper.

In the spirit of prudent liquidity management, on May 6, 2020 we also entered into a $450.0 million 364-day revolving credit facility ("Short-term Credit Agreement") which expires on May 5, 2021. The Short-term Credit Agreement is intended to be used primarily for working capital and general corporate purposes. The Company may elect to have loans under the Short-term Credit Agreement which bear interest at a base rate plus a specified applicable margin. We have not undertaken any borrowings under this facility.

Under the Credit Agreement and the Short-term Credit Agreement, we are required to pay a facility fee and to maintain an interest coverage ratio of consolidated EBITDA to consolidated net interest expense of not less than 3.0 to 1.0. We were in compliance with this covenant and our other long-term debt covenants at September 30, 2020 and had a coverage ratio of 11.0 to 1. We are not aware of any potential impairment to our liquidity and expect to remain in compliance with all of our debt covenants. Additionally, our earliest long-term debt maturity is in 2025.

We also have a current shelf registration statement filed with the Securities and Exchange Commission that allows for the issuance of additional debt securities that may be utilized in one or more offerings on terms to be determined at the time of the offering. Net proceeds of any offering would be used for general corporate purposes, including repayment of existing indebtedness, capital expenditures and acquisitions.

At September 30, 2020, our cash and cash equivalents totaled $427.5 million, of which $336.1 million was held outside the United States. At December 31, 2019, our cash and cash equivalents totaled $397.3 million, of which $273.1 million was held outside the United States. Cash and cash equivalents are invested in highly liquid investment-grade money market instruments and bank deposits with maturities of three months or less. We invest any cash in excess of near-term requirements in money market instruments or short-term investments, which consist of investment grade time deposits with original maturity dates at the time of purchase of no greater than three months.

We utilize the net debt to net capitalization calculation (a non-GAAP measure) to assess our overall financial leverage and capacity and believe the calculation is useful to investors for the same reason. Net debt represents total debt minus cash and cash equivalents. Net capitalization represents net debt plus stockholders' equity. The following table provides a reconciliation of net debt to net capitalization to the most directly comparable GAAP measures:

Net Debt to Net Capitalization Ratio *(dollars in thousands)*	**September 30, 2020**	**December 31, 2019**
Commercial paper	$ 90,500	$ 84,700
Long-term debt	3,047,216	2,985,716
Total debt	3,137,716	3,070,416
Less: Cash and cash equivalents	(427,501)	(397,253)
Net debt	2,710,215	2,673,163
Add: Stockholders' equity	3,246,421	3,032,660
Net capitalization	$ 5,956,636	$ 5,705,823
Net debt to net capitalization	45.5 %	46.8 %

Our net debt to net capitalization ratio decreased to 45.5% at September 30, 2020 compared to 46.8% at December 31, 2019. Net debt increased $37.1 million during the period primarily due to an increase in long-term debt as a result of foreign currency translation on Euro denominated notes partially offset by an increase in cash and cash equivalents. Stockholders' equity increased $213.8 million primarily as a result of earnings during the period, partially offset by dividends paid, and share repurchases.

Operating cash flow, existing capacity of our Credit Agreement and our Short-term Credit Agreement and access to capital markets are expected to satisfy our various cash flow requirements, including acquisitions, capital expenditures and share repurchases.

Critical Accounting Policies and Estimates

Our Condensed Consolidated Financial Statements and related public financial information are based on the application of GAAP which requires the use of estimates, assumptions, judgments and subjective interpretations of accounting principles that have an impact on the assets, liabilities, revenue and expense amounts reported. These estimates can also affect supplemental information contained in our public disclosures, including information regarding contingencies, risk and our financial condition. We believe our use of estimates and underlying accounting assumptions conform to GAAP and are consistently applied. We review valuations based on estimates for reasonableness on a consistent basis.

Recent Accounting Standards

See Part 1, Notes to Condensed Consolidated Financial Statements, Note 20 — Recent Accounting Pronouncements. The adoption of recent accounting standards as included in Note 20 — Recent Accounting Pronouncements in the Condensed Consolidated Financial Statements has not had, and is not expected to have, a significant impact on our revenue, earnings or liquidity.

Special Notes Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q, especially "Management’s Discussion and Analysis of Financial Condition and Results of Operations," contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements in this document other than statements of historical fact are statements that are, or could be deemed, “forward-looking” statements. Some of these statements may be indicated by words such as “may”, “anticipate”, “expect”, believe”, “intend”, “guidance”, “estimates”, “suggest”, “will”, “plan”, “should”, “would”, “could”, “forecast” and other words and terms that use the future tense or have a similar meaning. Forward-looking statements are based on current expectations and are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond the Company’s control. Factors that could cause actual results to differ materially from current expectations include, among other things, the impacts of COVID-19, or other future pandemics, on the global economy and on our customers, suppliers, employees, business and cash flows, other general economic conditions and conditions in the particular markets in which we operate, changes in customer demand and capital spending, competitive factors and pricing pressures, our ability to develop and launch new products in a cost-effective manner, changes in law, including the effect of U.S. tax reform and developments with respect to trade policy and tariffs, our ability to identify and complete acquisitions and integrate and realize synergies from newly acquired businesses, the impact of interest rate and currency exchange rate fluctuations, capital allocation plans and changes in those plans, including with respect to dividends, share repurchases, investments in research and development, capital expenditures and acquisitions, our ability to derive expected benefits from restructuring, productivity initiatives and other cost reduction actions, changes in material costs or the supply of input materials, the impact of legal compliance risks and litigation, including with respect to product quality and safety, cybersecurity and privacy, our ability to capture and protect intellectual property rights, and various other factors that are described in our periodic reports filed with or furnished to the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2019. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

The Company may, from time to time, post financial or other information on its website, www.dovercorporation.com. The website is for informational purposes only and is not intended for use as a hyperlink. The Company is not incorporating any material on its website into this report.

Non-GAAP Disclosures

In an effort to provide investors with additional information regarding our results as determined by GAAP, we also disclose non-GAAP information which we believe provides useful information to investors. Segment EBITDA, segment EBITDA margin, free cash flow, free cash flow as a percentage of revenue, free cash flow as a percentage of net earnings, net debt, net capitalization, net debt to net capitalization ratio, adjusted working capital, organic revenue growth and rightsizing costs are not financial measures under GAAP and should not be considered as a substitute for earnings, cash flows from operating activities, debt or equity, working capital, revenue or restructuring costs as determined in accordance with GAAP, and they may not be comparable to similarly titled measures reported by other companies.

We believe that segment EBITDA and segment EBITDA margin are useful to investors and other users of our financial information in evaluating ongoing operating profitability as they exclude the depreciation and amortization expense related primarily to capital expenditures and acquisitions that occurred in prior years, as well as in evaluating operating performance in relation to our competitors. Segment EBITDA is calculated by adding back depreciation and amortization expense to segment earnings, which is the most directly comparable GAAP measure. We do not present segment net income because corporate expenses, interest and taxes are not allocated at a segment level. Segment EBITDA margin is calculated as segment EBITDA divided by segment revenue.

We believe the net debt to net capitalization ratio and free cash flow are important measures of liquidity. Net debt to net capitalization is helpful in evaluating our capital structure and the amount of leverage we employ. Free cash flow and free cash flow ratios provide both management and investors a measurement of cash generated from operations that is available to fund acquisitions, pay dividends, repay debt and repurchase our common stock. Free cash flow as a percentage of revenue equals free cash flow divided by revenue. Free cash flow as a percentage of net earnings equals free cash flow divided by net earnings. We believe that reporting adjusted working capital, which is calculated as accounts receivable, plus inventory, less accounts payable, provides a meaningful measure of our operational results by showing the changes caused solely by revenue. We believe that reporting organic revenue growth, which excludes the impact of foreign currency exchange rates and the impact of acquisitions and divestitures, provides a useful comparison of our revenue performance and trends between periods. We believe that reporting rightsizing costs, which include restructuring and other charges, is important as it enables management and investors to better understand the financial impact of our broad-based cost reduction and operational improvement initiatives.

Reconciliations of non-GAAP measures can be found above in this Item 2, Management's Discussion & Analysis.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no significant change in our exposure to market risk during the nine months ended September 30, 2020. For a discussion of our exposure to market risk, refer to Item 7A, "Quantitative and Qualitative Disclosures about Market Risk," contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

Item 4. Controls and Procedures

At the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company’s management, including the Company’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures were effective as of September 30, 2020.

During the third quarter of 2020, there were no changes in the Company’s internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

See Part I, Notes to Condensed Consolidated Financial Statements, Note 14 — Commitments and Contingent Liabilities.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2019 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

a. Not applicable.

b. Not applicable.

c. In February 2018, the Company's Board of Directors approved a standing share repurchase authorization, whereby the Company may repurchase up to 20 million shares of its common stock through December 31, 2020. No share repurchases were made under the February 2018 authorization during the three months ended September 30, 2020. As of September 30, 2020, the number of shares still available for repurchase under the February 2018 share repurchase authorization was 7,811,385.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

31.1	Certificate pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, signed and dated by Brad M. Cerepak.
10.1	Dover Corporation Deferred Compensation Plan, as amended and restated effective as of September 21, 2020.*
31.2	Certificate pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, signed and dated by Richard J. Tobin.
32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed and dated by Richard J. Tobin and Brad M. Cerepak.
101	The following materials from Dover Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Condensed Consolidated Statements of Earnings, (ii) the Condensed Consolidated Statements of Comprehensive Earnings, (iii) the Condensed Consolidated Balance Sheets, (iv) the Condensed Consolidated Statements of Stockholders' Equity, (v) the Condensed Consolidated Statements of Cash Flows, and (vi) Notes to the Condensed Consolidated Financial Statements.
104	Cover Page formatted in Inline XBRL and contained in Exhibit 101.

*Executive compensation plan or arrangement.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

		DOVER CORPORATION
Date:	October 20, 2020	/s/ Brad M. Cerepak
		Brad M. Cerepak Senior Vice President & Chief Financial Officer (Principal Financial Officer)
Date:	October 20, 2020	/s/ Ryan W. Paulson
		Ryan W. Paulson Vice President, Controller (Principal Accounting Officer)

<u>Exhibit 10.1</u>

DOVER CORPORATION
DEFERRED COMPENSATION PLAN
(As Amended and Restated effective as of September 21, 2020)

ARTICLE I

ESTABLISHMENT OF THE PLAN

1.1 <u>Purpose</u>. The purpose of the Plan is to provide a means whereby the Company may afford a select group of management or highly compensated employees (as such phrase is defined for the purpose of Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) with an opportunity to irrevocably defer to a future year the receipt of certain compensation. The Plan is intended to be an unfunded, nonqualified deferred compensation plan.

ARTICLE II

DEFINITIONS

As used in this Plan, the following terms shall have the meanings herein specified:

2.1 "Adverse Benefit Determination" means a denial, reduction, or termination of, or a failure to provide or make full or partial payment for, a Benefit, including any denial, reduction, termination, or failure to provide or make payment based on a determination of a claimant's eligibility to participate in the Plan.

2.2 "Appropriate Procedure" means the form, procedure or method provided or prescribed by the Committee for the purposes stated herein.

2.3 "Beneficiary" means the person or persons designated by a Participant to receive any payments which may be required to be paid pursuant to the Plan following his or her death, or in the absence of any such designated person, the Participant's estate; provided, however, that a married Participant's Beneficiary shall be his or her spouse unless the spouse consents in writing to the designation of a different Beneficiary. For purposes hereof, Beneficiary may be a natural person or an estate or trust.

2.4 "Benefit" means the amount credited to a Participant's Deferred Compensation Account pursuant to such Participant's Deferred Compensation Agreement, plus or minus Credited Investment Return (Loss).

2.5 "Board" means the Board of Directors of Dover Corporation.

2.6 "Bonus" means any cash incentive or other compensation which is awarded by the Company in its discretion to a Participant as remuneration based on annual calendar year performance in addition to the Participant's Salary and any Cash-Based Long-Term

Incentive Compensation. Bonus for purposes of this Plan shall be determined without regard to any reductions (a) for salary deferral contributions to a plan qualified under Section 125 or Section 401(k) of the Code or (b) pursuant to any deferral election in accordance with Article IV of the Plan.

2.7 "Cash-Based Long-Term Incentive Compensation" means cash awards under the Cash Performance Awards provisions of the Dover Corporation 2012 Equity and Cash Incentive Plan, similar successor plans and such other plans or programs as the Committee from time to time shall designate. Cash-Based Long-Term Incentive Compensation for purposes of this Plan shall be determined without regard to any reductions (a) for salary deferral contributions to a plan qualified under Section 125 or Section 401(k) of the Code or (b) pursuant to any deferral election in accordance with Article IV of the Plan.

2.8 "Change of Control" shall have the same meaning as specified in the Dover Corporation 2012 Equity and Cash Incentive Plan or any successor to such plan and program.

2.9 "Code" means the Internal Revenue Code of 1986, as amended.

2.10 "Committee" means the Dover Corporation Benefits Committee.

2.11 "Company" means Dover Corporation, a Delaware corporation, and any present or future subsidiary corporation of Dover Corporation, for the period of time such corporation is owned or controlled by Dover Corporation, unless the Committee determines that such entity should not be included in the Plan. For purposes of the Plan, the term "subsidiary corporation" shall be defined as set forth in Section 424(f) of the Code.

2.12 "Company Contribution" means amounts credited to one or more of a Participant's Sub-Accounts by the Company pursuant to Section 5.4.

2.13 "Company Discretionary Contribution Account" means a Sub-Account maintained for each Participant to which Company Discretionary Contributions made pursuant to Section 5.5 of the Plan are credited.

2.14 "Compensation" means the Salary, Bonus and/or any Cash-Based Long-Term Incentive Compensation received by a Participant for a Plan Year and any other form of remuneration as the Committee shall determine.

2.15 "Credited Investment Return (Loss)" means the hypothetical investment return which shall be credited to a Participant's Deferred Compensation Account pursuant to Article V.

2.16 "Deemed Investment Elections" means the investment elections described in Article V.

2.17 “Deferred Compensation Account” means the book entry account established under the Plan for each Participant, to which shall be credited specified deferrals and contributions attributable to a Participant and the Participant’s Credited Investment Return (Loss) determined under Article V and which shall be reduced by any distributions made to a Participant. A Participant’s Deferred Compensation Account shall include such Sub-Accounts as shall be established pursuant to the provisions of the Plan.

2.18 “Deferred Compensation Agreement” means the agreement to participate in the Plan and defer Compensation between Participants and the Company in the form or Appropriate Procedure as the Committee may prescribe from time to time.

2.19 “Determination Date” means the date on which the amount of a Participant's Deferred Compensation Account is determined as provided in Article V hereof. The last day of each business day shall be a Determination Date.

2.20 “Disability” means a disability which causes a Participant who has not met the requirements for Retirement to be eligible to receive disability benefits under his or her employer’s long-term disability insurance program, provided that any such disability meets the criteria specified in Section 1.409A-3(i)(4) of the Treasury Regulations, or, in the case of a Participant who does not meet the criteria specified above, a disability which would cause the Participant to be determined to be totally disabled by the Social Security Administration and eligible for social security disability benefits. An Employee’s Disability shall be deemed to have ended on the last day of the last month with respect to which he or she receives benefits described in the preceding sentence.

2.21 “Distribution Affidavit” means the affidavit of a Participant or Beneficiary submitted to the Company to claim that he or she is entitled to a different Benefit distribution than the Trustee has been directed to pay to the Participant or Beneficiary under the Plan. A Distribution Affidavit shall be considered a claim for benefits by the Participant or Beneficiary pursuant to Article VIII hereof.

2.22 “Distribution Date” means the date on which distribution of a Participant’s Benefits is made or commenced pursuant to Article VI.

2.23 “Effective Date” of the Plan as amended and restated as set forth herein means September 21, 2020. That Plan was previously amended and restated effective January 1, 2009. The original effective date of the Plan is August 1, 2001. For the period from January 1, 2005 through December 31, 2008, the Plan was administered in good faith compliance with Section 409A of the Code and applicable guidance issued by the Treasury Department and the Internal Revenue Service.

2.24 “Eligible New Hire” means in individual who (i) is hired for the first time by the Company during a Plan Year, (ii) is selected for participation in the Plan by the Committee, and (iii) at the time of hire, has a Salary in excess of the applicable limit under Code Section 401(a)(17) for the Plan Year in which he or she is hired.

2.25 “Grandfathered Benefit” means a Sub-Account that consists of the amount credited to a Participant’s Deferred Compensation Account as of December 31, 2004, plus or minus Credited Investment Return (Loss) on such amount thereafter.

2.26 “Hardship” means one (1) or more of the following events which causes an unforeseen financial hardship to the Participant or his or her family:

a. A serious illness or accident of the Participant or a dependent (as defined in Section 152(a) of the Code) of the Participant;

b. A loss of the Participant’s primary residence due to casualty; or

c. Other similar circumstances arising out of events substantially beyond the control of the Participant, as determined by the Committee.

2.27 “Investment Allocation Election Form” means the form or Appropriate Procedure prescribed by the Committee on which a Participant allocates his or her Deferred Compensation Account among one or more deemed investment options.

2.28 “Investment Election Change Form” means the form or Appropriate Procedure prescribed by the Committee on which a Participant can make changes to his or her initial or any subsequent deemed investment elections.

2.29 “Non-Grandfathered Benefit” means a Sub-Account that consists of the amount of deferrals and contributions credited to a Participant’s Deferred Compensation Account after December 31, 2004, plus or minus Credited Investment Return (Loss) thereon.

2.30 “Participant” means a highly compensated or key management employee of the Company who has been designated by the Committee as eligible to participate in the Plan pursuant to Section 3.1 and for whom a Deferred Compensation Account has been established.

2.31 "Participant's Deferred Cash-Based Long-Term Incentive Compensation Account" means a Sub-Account maintained for each Participant to which a Participant's Cash-Based Long-Term Incentive Compensation deferrals made pursuant to Section 4.1 of the Plan are credited.

2.32 "Participant's Deferred Salary and Bonus Account" means a Sub-Account maintained for each Participant to which a Participant's Salary and Bonus deferrals made pursuant to Section 4.1 of the Plan are credited.

2.33 “Plan” means this Dover Corporation Deferred Compensation Plan, as it may be amended from time to time.

2.34 “Plan Year” means the calendar year.

2.35 “Retirement” means the Participant’s termination of employment on or after (a) his or her 65th birthday, (b) his or her completion of ten (10) “years of service” and attainment of age 55 or (c) with respect to a Participant’s Grandfathered Benefit, completion of such other time as the Committee, in its sole discretion, determines is sufficient to grant a Participant an approved earlier retirement date. For purposes hereof, a year of service means each period of twelve (12) months of completed employment with the Company or with any other entity which is required to be aggregated with Dover Corporation pursuant to Section 414(b) or (c) of the Code.

2.36 “Salary” for purposes of the Plan shall be the total of the Participant's base salary paid by the Company for a calendar year and considered "wages" for FICA and federal income tax withholding, but without regard to any deferrals made pursuant to this Plan and any reductions for salary deferred contributions to a plan qualified under Section 125 or Section 401(k) of the Code. For purposes of this Plan, Salary shall not include severance or other payments made in connection with a Participant's Termination of Service.

2.37 “Scheduled In-Service Withdrawal Date” means the date or dates previously elected by a Participant for the early distribution of Benefits, as provided in Section 4.2 or Section 6.5.

2.38 "Scheduled Withdrawal Date" means the date or dates elected by a Participant for the distribution, as provided in Section 6.8.

2.39 “Specified Employee” means an employee within the meaning of Section 409A(a)(2)(B)(i) of the Code and any applicable regulations or other pronouncements issued by the Internal Revenue Service with respect thereto. The determination of who the Specified Employees are as of any time shall be made by the Committee or by such committee, person or persons as the Committee shall delegate for such purpose.

2.40 “Sub-Account” means a separate account or accounts into which a Participant’s Deferred Compensation Account shall be divided, including without limitation separate accounts with respect to a Participant’s Grandfathered Benefit and Non-Grandfathered Benefit. Such Sub-Accounts may be established with respect to the portion of a Deferred Compensation Account attributable to contributions made with respect to any Plan Year, or which was established to reflect the various investments in which the Participant’s Deferred Compensation Account is deemed to be invested or for such other purposes as the Committee may determine.

2.41 “Termination of Service” means the Participant's ceasing his or her employment with the Company and each other entity which is required to be aggregated with Dover Corporation pursuant to Section 414(b) or (c) of the Code for any reason whatsoever, whether voluntarily or involuntarily, including by reason of death or Disability, in each instance that would meet the requirements to be considered a “Separation from Service” within the meaning of Section 1.409A-1(b) of the Treasury Regulations.

2.42 "Trust" means any grantor trust the Company may establish for the purpose of providing a source of funds for the payment of Benefits.

2.43 "Trustee" means the trustee of the Trust.

2.44 "Trust Agreement" means any Trust the agreement entered into between the Company and the Trustee, as amended or restated from time to time.

2.45 "Unforeseeable Emergency" means one or more of the following events which causes a severe financial hardship to the Participant:

a. illness or accident of the Participant or his or her spouse, Beneficiary or dependent;

b. loss of the Participant's property due to casualty, including the need to repair or rebuild such property with such repair or rebuild not covered by insurance;

c. other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Participant's control, including, without limitation the need to pay medical expenses for the Participant or his or her spouse, Beneficiary or dependent, foreclosure of or eviction of the Participant from his or her primary residence or the payment of funeral expenses of the Participant or his or her spouse, Beneficiary or dependent.

For purposes of this Section 2.45, "dependent" shall mean such term as defined in Section 152 of the Code, without regard to Sections 152(b)(1), (b)(2) and (d)(1)(B).

ARTICLE III

ELIGIBILITY

3.1 <u>Eligibility to Participate</u>.

(a) The employees who shall be eligible to participate in the Plan shall be limited to key management or highly compensated employees of the Company who are selected by the Committee, in its sole discretion, to participate in the Plan, and who, at the time of filing a deferral election for a Plan Year pursuant to Article IV:

(i) are on a regular periodic U.S. payroll of the Company; and

(ii) have Salary at an annual rate of $175,000 or more for such Plan Year or such other limit as the Committee shall establish from time to time.

The Committee may from time to time, in its sole and absolute discretion, modify the above eligibility requirements and make such additional or other requirements for eligibility as it may determine.

(b) Cessation of Deferrals. To the extent permitted by Code Section 409A, a Participant's future deferrals under the Plan shall cease, and the Participant may not defer any Compensation under the Plan, during any year in which he or she fails to satisfy the minimum annual compensation threshold of Section 3.1(a)(ii) above.

ARTICLE IV

ELECTION TO DEFER

4.1 Compensation Eligible for Deferral. A Participant may elect to defer Salary, Bonus and/or Cash-Based Long-Term Incentive Compensation for each Plan Year as follows:

a. Any whole-number percentage of Salary up to 50%;

b. Any whole-number percentage of Bonus up to 100%;

c. Any whole-number percentage of Cash-Based Long-Term Incentive Compensation up to 100%; and/or

d. Such combination of percentage of Bonus or Cash-Based Long-Term Incentive Compensation (not exceeding the percentages set forth above) and any other form of Compensation as the Committee in its sole discretion may determine.

In the event that a Participant's Compensation remaining after the Participant elects to defer an amount of his or her Salary, Bonus and/or Cash-Based Long-Term Incentive Compensation or other amounts permitted to be deferred hereunder is not sufficient to allow for the full payment of all FICA, federal, state and/or local income tax liabilities or benefit plan withholding requirements, the actual amount which shall be credited to the Participant's Deferred Compensation Account shall be reduced to the extent necessary for the maximum amount allowable after all applicable taxes and withholding requirements have been met.

4.2 Deferral Election. An employee eligible to make a deferral election or who anticipates becoming eligible to make a deferral election in the upcoming Plan Year shall become a Participant by timely executing a Deferred Compensation Agreement and such other documents as the Committee shall designate and delivering such agreement and other documents or complying with the Appropriate Procedure as directed by the Committee. The Deferred Compensation Agreement shall specify:

(a) the portion to be deferred of Salary, Bonus and/or Cash-Based Long-Term Incentive Compensation and any other form of Compensation permitted by the Committee; and

(b) the time for the commencement of payment of Benefits which must be either on account of Termination of Service or Scheduled Withdrawal Date, or with respect to amounts deferred with respect to Plan Years beginning prior to January 1, 2014, Termination of Service, Retirement, Disability, or at a Scheduled In-Service Withdrawal Date. A Participant may select a different time for commencement of payment of Benefits attributable to Compensation deferred with respect to each Plan Year.

Once a properly completed Deferred Compensation Agreement is received by the Committee, the elections of the Participant shall be irrevocable, except as otherwise provided herein.

4.3 Timing of Deferral Election.

(a) Election to Defer Salary. Elections to defer the receipt of Salary must be received by the Committee by November 30 (or such later date within the same year as the Committee shall determine) of each year to be effective with respect to the first pay period of the following Plan Year. If no election is timely received by the Committee, an individual will be deemed to have elected to make no deferral of Salary for the following Plan Year.

(b) Election to Defer Bonus, Cash-Based Long-Term Incentive Compensation, and Other Compensation. Elections to defer receipt of any Bonus and/or Cash-Based Long-Term Incentive Compensation must be received by the Committee by November 30 (or such later date as the Committee shall determine) of each year to be effective for the Bonus and/or Cash-Based Long-Term Incentive Compensation payable in the second Plan Year following the Plan Year during which the election is made. If no election is timely received by the Committee, an individual will be deemed to have elected to make no deferral of Bonus and/or Cash-Based Long-Term Incentive Compensation otherwise payable in the second Plan Year following the Plan Year for which such election would have been made. The Committee shall determine the timing of deferrals of other forms of Compensation.

(c) Election in Initial Year of Eligibility. With respect to Participants who (i) are the Chief Executive Office of the Company, or (ii) are Eligible New Hires, elections to defer receipt of any Salary, Bonus and/or Cash-Based Long-Term Incentive Compensation earned for services during the Plan Year in which such individual first becomes a Participant in accordance with Section 3.1(a) must be received by the Committee within 30 days after the date on which the employee first becomes a Participant in accordance with Section 3.1(a). Any election made pursuant to this Section 4.3(c) shall only apply with respect to compensation for services to be performed after the election.

(d) Changing an Election. A Participant's deferral election under Section 4.3(a) or 4.3(b) shall be irrevocable for the Plan Year for which it is made.

ARTICLE V

DEFERRED COMPENSATION ACCOUNT

5.1 Establishment of Deferred Compensation Account. Compensation deferred hereunder shall be credited to a Deferred Compensation Account (or Sub-Account) established by the Committee for each Participant. The amount of Compensation deferred by a Participant shall be credited to his or her Deferred Compensation Account (or Sub-Account) within five (5) business days of the date on which such amounts would have been paid to the Participant but for the Participant's election to defer receipt hereunder, or as soon thereafter as is administratively practicable. Company Contributions for a Plan Year shall be credited to a Participant's Deferred Compensation Account (or Sub-Account) as of a date determined by the Committee during the first calendar quarter following the end of the Plan Year.

Each Participant's Deferred Compensation Account (or Sub-Account) as of each Determination Date shall consist of the balance of the Participant's Deferred Compensation Account as of the immediately preceding Determination Date adjusted for:

(a) additional deferrals pursuant to Section 4.2,

(b) Company Contributions (if any) pursuant to Section 5.4;

(c) Company Discretionary Contributions (if any) pursuant to Section 5.5;

(d) distributions (if any); and

(e) the appropriate Credited Investment Return (Loss).

All adjustments and earnings related thereto, will be determined on a daily basis and recorded to the Participants' Deferred Compensation Accounts as of each Determination Date.

5.2 Deemed Investment Elections. The Committee shall designate from time to time one or more investment options in which Deferred Compensation Accounts (or Sub-Accounts) may be deemed invested. A Participant or Beneficiary shall allocate his or her Deferred Compensation Account among the deemed investment options in one percent (1%) increments by filing with the Committee an Investment Allocation Election Form. Notwithstanding the foregoing, the Committee may disapprove a Participant's deemed investment elections and allocate a Participant's Deferred Compensation Account in any manner as it, in its sole discretion, shall determine.

The Committee shall have the sole discretion to determine the number of deemed investment options to be designated hereunder and the nature of the options and may change or eliminate any of the deemed investment options from time to time. In the event of such change or elimination, the Committee shall give each Participant timely notice and opportunity to make a new election. Failure of a Participant to do so shall grant the Committee absolute discretion to make an election for such Participant. No such change shall be considered to be an amendment to the Plan pursuant to Section 9.1.

5.3 Change of Investment Election. After selecting his or her initial deemed investment elections under Section 5.2, a Participant may make changes to his or her deemed investment elections for amounts deferred for a Plan Year and all amounts in such Participant’s Deferred Compensation Account. Such changes may be made only in whole percentages. Any such change shall be effective on the business day following such change.

5.4 Company Contributions. For Participants who are not eligible to participate in the Dover Corporation Pension Replacement Plan, the Company shall credit the Participant's applicable Sub-Accounts at the end of each Plan Year as follows:

(a) Each Participant making Salary and Bonus deferrals under the Plan for a Plan Year shall be credited with Company Annual Matching Contributions for that Plan Year at the rate of 100% on the first 1% of Salary and Bonus deferrals made under this Plan for that Plan Year plus 50% of the next 5% of such Salary and Bonus deferrals made under this Plan for that Plan Year. The amount of Salary and Bonus deferrals eligible for matching contributions under this Plan shall not to exceed 6% of the Participant's Salary and Bonus which is in excess of the Participant's compensation that is used to determine his or her matching contributions under the terms of the Dover Corporation Retirement Savings Plan for the Plan Year.

(b) Each Participant shall be credited with Company Annual Basic Contributions for that Plan Year on the amount by which the Participant's annual rate of Salary and Bonus exceeds the Participant's compensation that is used to determine his or her "Automatic Contributions" under the terms of the Dover Corporation Retirement Savings Plan at the rate, and to the extent, if any, that the business unit by which the Participant is employed makes "Automatic Contributions" to the Dover Corporation Retirement Savings Plan for that Plan Year.

(c) Company Contributions credited to a Participant pursuant to Sections 5.4(a) and (b) above with respect to a given Plan Year shall be distributed in accordance with the distribution elections such Participant has for Salary deferred for such Plan Year, provided, if the Participant has no Salary deferral for such Plan Year, such Company Contributions credited to a Participant for such Plan Year shall be distributed in accordance with the distribution elections such Participant has for Bonus deferred for such Plan Year, provided further, that if the Participant has no Salary or Bonus deferral for such Plan Year, such Company Contributions credited to a Participant for such Plan Year shall be distributed in accordance with the distribution elections such Participant has for Cash-Based Long-Term Incentive Compensation deferred for such Plan Year provided further, that if a Participant has no deferral elections for such Plan Year, such Company Contributions, if any, shall be distributed in a single lump sum upon the Participant's Termination of Service.

5.5 Discretionary Contributions. In addition to the Company Contributions set forth in Section 5.4, the Company may choose at any time to credit Company Discretionary Contributions to the Company Discretionary Contribution Account of a Participant as the Committee shall determine in its discretion from time to time, based on individual or overall corporate performance or such other criteria as the Committee shall determine. The distribution of any Discretionary Contribution shall be in such form and at such time as determined by the Committee, but in no event later than the time required by Treasury Regulation 1.409A-2(a)(2) with respect to non-elective employer elections.

5.6 Credited Investment Return (Loss). Each Participant's Deferred Compensation Account (or Sub-Account) shall be credited monthly, or more frequently as the Committee may specify, with the Credited Investment Return (Loss) attributable to his or her Deferred Compensation Account (or Sub-Account). The Credited Investment Return (Loss) is the amount which the Participant's Deferred Compensation Account would have earned if the amounts credited to the Deferred Compensation Account had, in fact, been invested in accordance with the Participant's Deemed Investment Elections.

5.7 Vesting. A Participant shall be one hundred percent (100%) vested in the amounts the Participant elects to defer into his or her Deferred Compensation Account and the Credited Investment Return (Loss) credited thereon. In the event a Company Discretionary Contribution is credited to a Participant's Deferred Compensation Account pursuant to Section 5.5, the Company Contribution and the Credited Investment Return (Loss) thereon shall vest as determined in the discretion of the Committee.

5.8 Supplemental Accrued Benefit.

(a) If a Participant who participates in the Dover Corporation Pension Plan has a Termination of Service under circumstances in which a vested accrued benefit is payable to him or her under the Dover Corporation Pension Plan, then a Supplemental Accrued Benefit (as described below) shall be payable to him or her as provided in this Section 5.8. A Participant's "Supplemental Accrued Benefit" shall be an annual amount equal to the excess of:

(i) the annual accrued benefit that the Participant otherwise would have been entitled to receive under the Dover Corporation Pension Plan if deferrals of Salary and Bonus under this Plan for a Plan Year had been included in the definition of "Compensation" under the Dover Corporation Pension Plan for such Plan Year commencing with Plan Years beginning on or after January 1, 2016, over

(ii) the annual accrued benefit that the Participant is actually entitled to receive under the Dover Corporation Pension Plan.

(b) A Participant's Supplemental Accrued Benefit under this Section 5.8, if any, shall be distributed in the form of an actuarially equivalent lump sum payment upon such Participant's Termination of Service at the time described in Section 6.9(a). The lump sum actuarial equivalent shall be determined using the assumptions for determining actuarial equivalent lump sums in Program SI-Dover Corporation Pension Program of the Dover Corporation Pension Plan as in effect on day on which such distribution is processed, or if the Dover Corporation Pension Plan has been terminated, as in effect on the date of termination of the Dover Corporation Pension Plan.

(c) For the avoidance of doubt, a Participant's Supplemental Accrued Benefit, if any, is not considered part of a Participant's Deferred Compensation Account.

ARTICLE VI

PAYMENT OF DEFERRED COMPENSATION ACCOUNT

6.1 Time of Payment. Except as otherwise specifically provided herein, distribution of the vested balance of a Participant's Deferred Compensation Account (or Sub-Account) shall be made to such Participant as set forth in Section 6.9.

6.2 Distribution upon Retirement or Disability. For Plan Years beginning prior to January 1, 2014, a Participant was permitted to elect distributions of Plan accounts upon his or her Retirement or Disability. With respect to any such election, upon a Participant's Retirement or Disability, his or her Deferred Compensation Account (or Sub-Account) shall be payable over a period of five (5), ten (10) or fifteen (15) years, or in a single lump sum payment, as elected by the Participant in his or her Deferred Compensation Agreement or as otherwise elected pursuant to the provisions of the Plan. If a Participant fails to make a valid distribution election, the distribution shall be made in annual installments over a ten (10) year period. Notwithstanding the above, distributions as a result of Retirement may be deferred as elected by a Participant; provided, however, in no event may any distribution commence later than the last day of the first calendar quarter of the year following the year in which the Participant attains age seventy (70), regardless of whether the Participant has terminated employment with the Company. A Participant may change the method of distribution on account of Retirement or Disability (from lump sum to installments or vice versa or to change the date on which a distribution would be made or commence to be made or the period over which the installments would be made) by giving at least twelve (12) months notice to the Committee by following the Appropriate Procedure prior to his or her Retirement or attainment of age seventy (70), if applicable and, if such election is on account of Retirement or Disability, the election shall not take effect until at least 12 months after the date on which the election is made; provided further, however, that the distribution, or commencement of the distribution, of any Non-Grandfathered Benefit on account of Retirement is extended for at least five (5) years beyond the prior time as of which the distribution was to have been made or commence to have been made. If, prior to distribution of the Participant's Deferred Compensation Account, a Participant who had incurred a Disability no longer meets the definition of Disability and returns to work with the Company, no payment of a Grandfathered Benefit shall be made from the Plan on account of the prior Disability, and distribution of the Participant's Deferred

Compensation Account shall be made as otherwise provided in this Article VI. All distributions subject to this Section 6.2 shall be determined and paid pursuant to, and shall otherwise be subject to, the provisions of Sections 6.9, 6.10, and 6.11. This Section 6.2 shall not apply to any deferrals or contribution credits made with respect to any Plan Year beginning on or after January 1, 2014.

6.3 Distribution Upon Death. In the event a Participant dies prior to the distribution of the Participant's entire Deferred Compensation Account, distribution of the Participant's Deferred Compensation Account (or the remaining balance thereof) shall be made in a single lump sum payment on such date as the Committee shall determine; provided, however, that such date shall be within ninety (90) days following the Participant's Death or such later date as shall meet the requirements of the Treasury Regulations. All distributions subject to this Section 6.3 shall be determined and paid pursuant to, and shall otherwise be subject to, the provisions of Sections 6.9 and 6.10.

6.4 Distribution Upon Other Termination of Service.

(a) With respect to any amounts deferred or credited under the Plan with respect to Plan Years beginning before January 1, 2014, if a Participant incurs a Termination of Service, voluntarily or involuntarily, for reasons other than Retirement, death or Disability, the value of the Participant's Deferred Compensation Account balance shall be paid in a single lump sum payment pursuant to Sections 6.9, 6.10 and 6.11.

(b) With respect to any amounts deferred under the Plan with respect to Plan Years beginning on or after January 1, 2014, upon a Participant's Termination of Service, his or her Deferred Compensation Account (or Sub-Account) shall be payable over a period of one (1) to ten (10) years, or in a single lump sum payment, as elected by the Participant in his or her Deferred Compensation Agreement. If a Participant fails to make a valid distribution election, the distribution shall be made in a single lump sum payment. In the event that a Participant's Deferred Compensation Account shall have a balance of $100,000 or less as of the date of Termination of Service, distribution shall be made in a single lump sum payment regardless of any distribution election made by the Participant. Notwithstanding the above, a distribution election made by a Participant upon Termination of Service may be further deferred as elected by a Participant; provided, however, in no event may any distribution commence later than the last day of the first calendar quarter of the year following the year in which the Participant attains age seventy (70), regardless of whether the Participant has terminated employment with the Company. A Participant may change the method of distribution on account of Termination of Service (from lump sum to installments or vice versa or to change the date on which a distribution would be made or commence to be made or the period over which the installments would be made) by giving at least twelve (12) months' notice to the Committee by following the Appropriate Procedure prior to his or her Termination of Service or attainment of age seventy (70), if applicable and, the election shall not take effect until at least 12 months after the date on which the election is made; provided further, however, that the distribution, is extended for at least five (5) years beyond the prior time as of which the distribution was to have been made or commence to have been made. A Participant shall be granted no more than two (2) such extensions with respect to Termination of Service. All distributions subject to this Section 6.4(b) shall be determined and paid pursuant to, and shall otherwise be subject to, the provisions of Sections 6.9, 6.10 and 6.11.

6.5 Scheduled In-Service Withdrawals.

(a) For Plan Years beginning prior to January 1, 2014, a Participant was permitted to elect a Scheduled In-Service Withdrawal Date applicable to all or a portion of his or her Deferred Compensation Account or applicable to all or a portion of a Sub-Account attributable to contributions made with respect to any specified Plan Year beginning prior to January 1, 2014. A Participant may elect to extend to a later date a Scheduled In-Service Withdrawal Date by filing a written request to do so with the Committee at least twelve (12) months prior to such date (such election not taking effect until at least 12 months after the date on which the election is made). A Participant shall be granted no more than two (2) such extensions with respect to any initial Scheduled In-Service Withdrawal Date. The minimum period of extension (i) with respect to a Participant's Grandfathered Benefit is two (2) years from the original Scheduled In-Service Withdrawal Date with respect to the first extension and two (2) years from the extended date of distribution with respect to the second extension and (ii) with respect to the Participant's Non-Grandfathered Benefit is five (5) years beyond the prior time as of which the distribution was to have been made or commence to have been made with respect to the first extension and five (5) years from the extended date of distribution with respect to the second extension. No Scheduled In-Service Withdrawals are permitted with respect to any amount deferred or credited under the Plan with respect to Plan Years beginning on or after January 1, 2014.

(b) No election of a Scheduled In-Service Withdrawal Date shall be given effect unless such election specifies a Scheduled In-Service Withdrawal Date which is at least two (2) years after the end of the Plan Year in which the election is received by the Committee. The distribution of the elected amount or portion of the Participant's Deferred Compensation Account (or Sub-Account) must commence no later than the last day of the first calendar quarter of the year following the year in which the Participant attains age seventy (70), regardless of whether the Participant has terminated employment with the Company.

(c) A Participant may elect to receive the distribution in a single lump sum payment or annual installments over two (2), three (3), four (4) or five (5) years. The form of distribution may be amended by the Participant up to twelve (12) months prior to any elected Scheduled In-Service Withdrawal Date by giving prior written notice to the Committee (such election not taking effect until at least 12 months after the date on which the election is made); provided, however, that the time of distribution of Non Grandfathered Benefits whose form of distribution is amended shall be extended for a period of not less than 5 (years) beyond the prior time as of which the distribution was to have been made or commence to have been made. All distributions subject to this Section 6.5 shall be determined and paid pursuant to, and shall otherwise be subject to, the provisions of Sections 6.9, 6.10 and 6.11.

(d) If a Participant incurs a Termination of Service by reason of Retirement or Disability prior to a Scheduled In-Service Withdrawal Date, the amount of the distribution shall be distributed as the Participant elected for Retirement or Disability, as the case may be. If the Participant incurs a Termination of Service for any other reason, the distribution will be in the form of a single lump sum payment. If a Participant incurs a Termination of Service by reason of Retirement or Disability while he or she is receiving scheduled in-service installment distributions, the balance of the Participant's Deferred Compensation Account shall be distributed to the Participant as elected for Retirement or Disability, as the case may be. If the Participant incurs a Termination of Service for any other reason, the remaining installments will be distributed in a single lump sum payment.

6.6 Non-Scheduled Withdrawals. Other provisions of the Plan notwithstanding, a Participant may at any time request a distribution of some or all of his or her Grandfathered Benefit (with a minimum distribution amount of $5,000) for any reason. In such event, ten percent (10%) of the amount requested to be distributed from the Participant's Grandfathered Benefit will be forfeited and not paid to the Participant, and, if the Participant continues to be employed with the Company, the Participant may make no further deferrals during the period commencing on the first day of the Plan Year next following the Plan Year in which the distribution was made and continuing thereafter for a period equal to twelve (12) months plus the number of days from the date on which the distribution was made to the last day of the Plan Year in which the distribution was made. Notwithstanding the foregoing, if the distribution is requested within one (1) year following a Change of Control, only five percent (5%) of the amount requested to be distributed from the Participant's Grandfathered Benefit will be forfeited and not paid to the Participant and, if the Participant continues to be employed with the Company, the Participant may make no further deferrals for the following Plan Year. Any amounts forfeited may, at such time as the Committee shall determine, be returned to the Company, to the extent such amounts are then held in the Trust.

6.7 Hardship Distributions and Distributions on Account of an Unforeseeable Emergency.

(a) This Section 6.7(a) is applicable with respect to a Participant's Grandfathered Benefit. In the event that the Committee, upon written petition of a Participant or Beneficiary, determines in its sole discretion that the Participant or Beneficiary has suffered a Hardship, the Committee shall distribute to the Participant or Beneficiary as soon as reasonably practicable following such determination, an amount, not in excess of the value of the Participant's Grandfathered Benefit, necessary to alleviate the Hardship. A Participant or Beneficiary claiming Hardship will be required to submit such documentation of the Hardship and proof that the loss is not covered by other means as the Committee shall request. A Participant who has been granted a distribution on account of Hardship may, if the Participant continues to be employed with the Company, make no further deferrals for the balance of that Plan Year and the following Plan Year.

(b) This Section 6.7(b) is applicable with respect to a Participant’s Non-Grandfathered Benefit. In the event that the Committee, upon written petition of a Participant, determines in its sole discretion that the Participant has suffered an Unforeseeable Emergency, the Committee may distribute, within 90 days of such occurrence, an amount not in excess of the value of the Participant’s vested Non-Grandfathered Benefit, necessary to alleviate such Unforeseeable Emergency. A Participant claiming an Unforeseeable emergency will be required to submit such documentation of the Unforeseeable Emergency and proof that the loss is not covered by other means that are reasonably available to the Participant as the Committee shall request.

Entitlement of a Participant to a withdrawal on account of an Unforeseeable Emergency shall be contingent on meeting the requirements set forth below. A withdrawal is on account of an Unforeseeable Emergency if the withdrawal is made on account of an "immediate and heavy financial need" of the Participant as the result of an Unforeseeable Emergency and is "necessary" to satisfy the financial need. A withdrawal is "necessary" to satisfy a financial need of the Participant only if the Participant demonstrates to the satisfaction of the Committee that the withdrawal is in an amount which does not exceed the amount required to meet such financial need and cannot be satisfied from other resources reasonably available to the Participant, including, without limitation, by reimbursement or compensation from insurance or by the liquidation of the Participant’s assets (to the extent any such liquidation does not cause a severe financial hardship) or by cancellation of any deferrals elected by the Participant. A withdrawal will not be deemed "necessary" to satisfy an immediate and heavy financial need of a Participant unless all of the following requirements are satisfied: (i) the withdrawal does not exceed the amount necessary to alleviate the immediate and heavy financial need of the Participant (plus the amount of any tax or penalties attributable to the amount of the withdrawal), (ii) the Participant has obtained all currently available distributions from other non-qualified deferred compensation plans, other than any distributions on account of the Unforeseeable Emergency currently available under other non-qualified plans maintained by the Company, whether or not such plans are subject to Section 409A of the Code; (iii) deferral elections of the Participant under this Plan will be cancelled, as will any deferral elections permitted to be cancelled under any other non-qualified deferred compensation plan that would be aggregated with this Plan under Treasury Regulation Section 1.409A-1(c) without violating the provisions of Section 409A of the Code; provided, however, that the actions listed above do not increase the Participant’s financial need.

The Committee may require such financial and other information as is reasonably necessary for it to make a determination hereunder and may reasonably rely on representations made by the Participant pursuant hereto. The Committee's determination shall be made on the basis of all relevant facts and circumstances under the general rules set forth above and shall be final.

6.8 Scheduled Withdrawals. With respect to deferral elections made effective for Plan Years commencing on and after January 1, 2016, A Participant may elect a Scheduled Withdrawal Date applicable to all or a portion of his or her Deferred Compensation Account or applicable to all or a portion of a Sub-Account attributable to contributions made with respect to any specified Plan Year. Such election shall be made in the Participant’s Deferred Compensation Agreement and shall specify the portion or amount of the Participant’s Deferred Compensation Account (or, if applicable, Sub-Account) to be distributed and the form of payment for such distribution; provided that such portion or amount specified shall not exceed the portion or amount credited to the Participant’s Deferred Compensation Account which is vested as of any Scheduled Withdrawal Date. No election of a Scheduled Withdrawal Date shall be given effect unless such election specifies a Scheduled Withdrawal Date which is at least two (2) years after the end of the Plan Year in which the election is received by the Committee. A Participant may elect to receive the distribution under this Section 6.8 in a single lump sum payment or annual installments over two (2) to ten (10) years. The form of distribution of a distribution to be made on a Scheduled Withdrawal Date may be amended by the Participant from time to time and at any time up to twelve (12) months prior to any elected Scheduled Withdrawal Date by giving prior written notice to the Committee (such election not taking effect until at least twelve (12) months after the date on which the election is made); provided, however, that the distribution for which the form of distribution is amended hall not be made or commence earlier than five years after the date such amount would have otherwise become payable as determined under Treasury Regulation Section 1.409A-2(b) and a Participant shall be granted no more than two (2) such extensions with respect to any initial Scheduled Withdrawal Date. For the avoidance of doubt, a Participant's Termination of Service prior to a Scheduled Withdrawal Date will not accelerate the time of payment of any payment due on such Scheduled Withdrawal Date.

6.9 Distributions Generally.

(a) All distributions from the Plan (other than non-scheduled withdrawals pursuant to Section 6.6 or distributions on account of Hardship or an Unforeseeable Emergency pursuant to Section 6.7) shall be made in accordance with the following procedure: the Participant’s Deferred Compensation Account or Sub-Account from which the distribution is to be made shall be valued as of the March 15th of the Plan Year next following the Plan Year in which the Participant’s Retirement, Disability, death, Termination of Service or other “distributable event” occurs. If the distribution is to be made in a single lump sum payment, the lump sum shall be paid as soon as administratively practicable following the March 15th as of which the valuation described above is made, but in no event later than the March 31st following such valuation. If the distribution is to be made in installments, the same March 15th valuation described above shall be made and then divided by the number of years over which the installment payments are to be made. Such amount shall be paid as soon as administratively practicable after the determination is made, but in no event later than the March 31st following such March 15th valuation. A new valuation and annual installment amount (based on the number of remaining annual installments to be made) shall be determined as of each subsequent March 15th during which installment payments are to be made and such payments shall be made no later than the March 31st following each such determination. As used herein, "distributable event" shall mean the date of a Participant's Retirement, Disability, death or Termination of Service; provided, however, that if a Participant has elected to have a payment deferred for a specified period following Retirement, "distributable event" with respect to such payment shall mean the year to which the payment is deferred. Examples to illustrate the application of the timing of the valuation and distribution of Account values pursuant to Section 6.9 are provided in the Appendix 1 to the Plan.

(b) Notwithstanding the foregoing, if the Deferred Compensation Account or Sub-Account or Sub-Accounts from which all initial installment payments which begin to be made during a year is $50,000 or less as of the applicable March 15th valuation described in Section 6.9(a) above, the entire amount remaining in such Deferred Compensation Account or Sub-Account shall be distributed in a single lump sum payment as soon as administratively practicable following such March 15th valuation, but in no event later than the March 31st following such March 15th valuation. This Section 6.9(b) shall not apply to deferrals made with respect to Plan Years beginning after December 31, 2020.

(c) Distributions of Non-Scheduled Withdrawals and on account of Hardship or an Unforeseeable Emergency shall be made as soon as administratively practicable (and in the case of an Unforeseeable Emergency, no later than 90 days) following, if applicable, approval of such distributions by the Committee, or, if later, in the case of Non-Scheduled Withdrawals, the date requested by the Participant or, if applicable, approved by the Committee for such distribution.

(d) Notwithstanding the foregoing, the Committee in its sole discretion may revise any of the distribution procedures or timing described above; provided that no such distribution shall be made or commence to be made later than the March 31st of the year following the date of the relevant distribution event and no such revision shall cause any Grandfathered Benefit to become subject to Section 409A of the Code or any Participant or other payee to become subject to any additional tax or other penalty pursuant to Section 409A of the Code.

(e) The distribution to a Participant or Beneficiary of the full amount of the Participant's Deferred Compensation Account under the Plan shall be in full satisfaction of all claims the Participant or Beneficiary may have against the Company, Committee or Trustee with respect to the Plan, and the Committee in its discretion may require that any payee under the Plan execute a receipt and release as a condition precedent to the receipt of any distribution from the Plan.

(f) The entitlement to a series of installment payments under the Plan shall be treated as a single payment for purposes of Section 409A, including for purposes of the subsequent changes in the time or form of payment as provided in Treasury Regulation Section 1.409A-2(b)(2).

(g) Although it is intended that payments scheduled to be made under the Plan shall be made as provided herein, in no event shall any such payment be made later than the end of the calendar year in which the scheduled payment was to have been made, or, if later, prior to the 15th day of the third month following the date as of which the scheduled payment was to have been made; provided, however, that the Participant or Beneficiary shall not have any direct or indirect discretion to designate the taxable year in which such payment pursuant to this Section 6.9(g) is to be made. For purposes hereof, the scheduled payment date of a payment that is scheduled to be made during a 90-day period shall be the first day of the 90-day period.

(h) Notwithstanding any provision hereof to the contrary, the Committee shall have the discretion to modify the time or schedule of payments to be made hereunder, but only in the circumstances described in Section 1.409A-3(j)(4) of the Treasury Regulations, or, subject to applicable provisions of Section 409A of the Code, as may be necessary to comply with applicable law.

6.10 Distributions in Cash. All distributions of Deferred Compensation Accounts shall be paid in United States dollars.

6.11 Distributions to Specified Employees. Notwithstanding any provision of the Plan to the contrary, no distribution of a Non-Grandfathered Benefit to a Specified Employee following his or her Termination of Service (other than as the result of the Specified Employee's death) shall be made (or commence to be made) earlier than the first day of the month coincident with or next following six months after his or her Termination of Service. Any distribution subject to this provision shall be delayed until the end of the six-month period, and any payment due within the six-month period shall be paid at the beginning of the seventh month following the date of the Specified Employee's Termination of Service.

6.12 Compliance with Section 409A. It is intended that (a) this Plan and all benefits payable thereunder shall comply in all material respects with the applicable provisions of Section 409A of the Code; (b) to the maximum extent possible each provision of the Plan, and any actions taken pursuant to the Plan, shall be interpreted so that any such provision or action shall be deemed to be in compliance with Section 409A of the Code; and (c) no election made by a Participant hereunder, and no change made by a Participant to a previous election shall be accepted the Committee determines that acceptance of such election or change could violate any of the requirements of Section 409A of the Code, resulting in early taxation and penalties. Neither the Company nor its current employees, officers, directors, representatives or agents shall have any liability to any current or former Participant with respect to any accelerated taxation, additional taxes, penalties or interest for which any current or former Participant may become liable in the event that any amounts payable under the Plan are determined to violate Section 409A of the Code.

6.13 Designation of Beneficiary. The Participant shall have the right to designate, on such form as may be prescribed by the Company, a Beneficiary or Beneficiaries to receive any Benefits due under Article VI which may remain unpaid at the Participant's death and shall have the right at any time to revoke such designation and to substitute another such Beneficiary or Beneficiaries. If, upon the death of the Participant, there is no valid designation of a Beneficiary or no designated Beneficiary survives the Participant, the Beneficiary shall be the Participant's estate. If a Beneficiary survives the Participant and dies prior to the distribution of all Benefits to which such Beneficiary is entitled from the Plan, any remaining amounts payable from the Plan shall be paid to the Beneficiary's estate.

ARTICLE VII

CLAIM FOR BENEFITS PROCEDURE

7.1 Claim for Benefits.

(a) Any claim for benefits under the Plan shall be made in writing to the Committee. A Distribution Affidavit submitted to the Company by a Participant or Beneficiary shall be considered a claim for benefits to be determined by the Committee in accordance with the claim review procedures set forth in this Article VII.

(b) If a claim for benefits is wholly or partially denied (i.e., is an "Adverse Benefit Determination"), the Committee shall notify the claimant (or his or her authorized representative) of such Adverse Benefit Determination, either in writing or electronically, within a reasonable period of time, but not later than ninety (90) days after receipt of the claim by the Committee, unless the Committee determines that special circumstances warrant an extension of time for processing the claim. If the Committee determines that special circumstances require an extension of time for processing a claim, the Committee shall furnish written notification of the extension to the claimant (or his or her authorized representative) prior to the termination of the initial ninety (90) day period, but in no event shall the extension exceed a period of 90 days from the end of such initial period. The notice of extension shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the final decision.

The Committee shall provide the claimant with written or electronic notice of the Adverse Benefit Determination. Such notice shall provide:

(i) The specific reason(s) for the Adverse Benefit Determination;

(ii) Specific references to the relevant Plan provisions (including internal rules, guidelines, etc.) upon which the determination is based;

(iii) A description of any additional material or information necessary for the claimant to perfect the claim, together with an explanation of why such material or information is necessary; and

(iv) A description of the Plan's claim review procedure, including time limits applicable to those procedures, and a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an Adverse Benefit Determination.

7.2 Request for Review of a Denial of a Claim for Benefits. Upon the receipt by the claimant (or his or her authorized representative) of written or electronic notice of the Adverse Benefit Determination, the claimant (or his or her authorized representative) may, within sixty (60) days, file a written request with the Committee requesting a review of the denial of the claim, which review shall include a hearing if deemed necessary by the Committee. In connection with the claimant's appeal of the denial of his or her claim, he or she (or his or her authorized representative) may review relevant documents and may submit written comments, documents, records and other information relating to the claim for benefits, regardless of whether the information was submitted or considered in the initial benefit determination. The claimant (or his or her authorized representative) must be given, upon request and without charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits. To provide for fair review and a full record, the claimant (or his or her authorized representative) must submit in writing all facts, reasons and arguments in support of his or her position within the time allowed for filing a written request for review. All issues and matters not raised for review will be deemed waived by the claimant.

7.3 Decision Upon Review of a Denial of a Claim for Benefits. The Committee shall render a decision on the claim review promptly, but no more than sixty (60) days after the receipt of the claimant's request for review, unless special circumstances (such as the need to hold a hearing) require an extension of time, in which case the sixty (60) day period shall be extended to one hundred-twenty (120) days. If the Committee determines that special circumstances require an extension of time for deciding the determination on review, the Committee shall furnish written notification of the extension to the claimant (or his or her authorized representative) prior to the termination of the initial sixty (60) day period. The notice of extension shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the determination on review.

The Committee shall provide the claimant (or his or her authorized representative) with written or electronic notice of the Committee's determination on review. In the case of an Adverse Benefit Determination, such notice shall:

(a) Provide the specific reason(s) for the Adverse Benefit Determination;

(b) Be written in a manner calculated to be understood by the claimant;

(c) Provide specific references to the relevant Plan provisions upon which the determination is based;

(d) Include a statement that the claimant (or his or her authorized representative) may receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claimant's claim for benefits; and

(e) Include a statement describing any voluntary appeal procedures offered by the Plan and the claimant's (or his or her authorized representative's) right to obtain the information about such procedures, along with a statement of the claimant's right to bring an action under Section 502(a) of ERISA.

The decision of the Committee shall be final and binding in all respects on the Company, the claimant and any other person claiming an interest in the Plan through or on behalf of the claimant. No arbitration pursuant to Section 7.4 or lawsuit pursuant to Section 7.5 may be commenced by or on behalf of a claimant with respect to this Plan until after and unless the claim and review process described above in this Article VII has been exhausted. A claimant must follow the claims procedure forth in Sections 7.1, 7.2 and 7.3 (and comply with all applicable deadlines established as part thereof) as a condition to the receipt of any benefits claimed under the Plan, and as a condition to the availability of any other relief under or with respect to the Plan. If a claimant follows the claims procedure and his or her final appeal is denied, in whole or in part, under Section 7.3, and he or she is not subject to mandatory arbitration under Section 7.4, he or she will have one year following the date of the final determination of an appeal under Section 7.3 to file a lawsuit with respect to that claim, and failure to meet the one-year deadline will extinguish his or her right to file a lawsuit with respect to that claim.

7.4 Mandatory Arbitration Procedure.

(a) Any claim remaining after the claim review process described above in this Article VII has been exhausted shall, to the extent permitted by applicable law and except as otherwise provided in Section 7.5, be submitted exclusively to mandatory arbitration in New York City or, at the Company's election, another agreed-upon location.

(b) Except as otherwise set forth herein, said arbitration shall be pursuant to the National Rules for Resolution of Employment Disputes of the American Arbitration Association, as amended from time to time. The matter shall be submitted to one arbitrator who shall be a lawyer with at least ten (10) years professional experience and who has familiarity with employee compensation plans. All information regarding the claim or arbitration, including the arbitration award, shall not be disclosed by the claimant or the arbitrator to any third party, except pursuant to legal process, without the written consent of Dover Corporation. In no event may the arbitrator allow the claimant to join claims of any other claimant in a single arbitration proceeding without the written consent of Dover Corporation. The arbitrator shall have no authority to add to, detract from, or otherwise modify any provisions of the Plan (including this Section 7.4) or of the Trust Agreement. The arbitrator shall apply the substantive law of the State of New York to the extent not preempted by federal law, and the arbitrator's decision shall be final and binding. The arbitrator's fees shall be borne by the party which does not prevail. If neither party prevails entirely, the arbitrator's fees shall be paid as determined by the arbitrator.

7.5 Procedure After a Change of Control. After a Change of Control, a Participant or Beneficiary may elect to submit any claim remaining after the claim review process described above in this Article VIII has been exhausted, to the extent permitted by applicable law, to mandatory arbitration pursuant to Section 7.4 or the Participant or Beneficiary may file a lawsuit in any court of competent jurisdiction to resolve the claim.

ARTICLE VIII

ADMINISTRATION

8.1 Plan Administration. The Plan shall be administered by the Committee. The Committee shall administer the Plan in accordance with its terms, and shall have all powers necessary to accomplish such purpose, including the power and authority to construe and interpret the Plan, to define the terms used herein, to prescribe, amend and rescind rules and regulations, agreements, forms and notices relating to the administration of the Plan, and to make all other determinations necessary or advisable for the administration of the Plan. Any actions of the Committee with respect to the Plan shall be conclusive and binding upon all persons interested in the Plan. The Committee may delegate any of its powers or duties to others as it shall determine and may retain counsel, agents and such clerical and accounting services as it may require in carrying out the provisions of the Plan. An employee of the Company or Committee member who is also a Participant in the Plan shall not be involved in the decisions of the Company or Committee regarding any determination of any specific claim for benefit with respect to himself or herself.

8.2 Information. The records of the Company shall be determinative of each Participant's period of employment, Termination of Service, leave of absence, reemployment, years of service, personal data, and Salary, Bonus, Cash-Based Long Term Compensation and other Compensation. Participants and their Beneficiaries shall furnish to the Committee such evidence, data or information, and execute such documents as the Committee requests.

8.3 Periodic Statements. The Committee shall furnish statements to each Participant reflecting the amount credited to a Participant's Deferred Compensation Account and transactions therein not less frequently than once each calendar year.

8.4 Indemnification. No employee of the Company or member of the Committee shall be liable to any person for any action taken or omitted in connection with the administration of this Plan, and the Company shall indemnify and hold harmless each member of the Committee therefor, including indemnification for any expenses and legal fees incurred in connection therewith, unless attributable to his or her own fraud or willful misconduct. The Company shall not be liable to any person for any such action unless attributable to fraud or willful misconduct on the part of a director, officer or employee of the Company.

8.5 Expenses of Administration. Any expense incurred by the Company or the Committee relative to the administration of the Plan shall be paid by the Company.

ARTICLE IX

MISCELLANEOUS

9.1 Amendment and Termination. The Plan may be amended at any time by the Committee and may be terminated at any time by the Committee; provided, however, that no such amendment or termination shall adversely affect the rights of Participants or their beneficiaries with respect to amounts credited to the Deferred Compensation Accounts prior to such amendment or termination, without the written consent of the Participant.

9.2 No Implied Rights. Neither the establishment of the Plan nor any amendment thereof shall be construed as giving any Participant, Beneficiary, or any other person any legal or equitable right unless such right shall be specifically provided for in the Plan or conferred by specific action of the Committee or Company in accordance with the terms and provisions of the Plan. Except as expressly provided in this Plan, the Company shall not be required or be liable to make any payment under this Plan.

9.3 No Right to Company Assets. Neither a Participant, a Beneficiary, nor any other person shall acquire by reason of the Plan any right in or title to any assets, funds or property of the Company whatsoever, including, without limiting the generality of the foregoing, any specific funds, assets or other property which the Company, in its sole discretion, may set aside in anticipation of a liability hereunder in a Trust. Any benefits which become payable hereunder shall be paid from the general assets of the Company. Each Participant and his or her Beneficiary shall have only a contractual right to the amounts, if any, payable hereunder, unsecured by any asset of the Company. Nothing contained in the Plan constitutes a guarantee by the Company that the assets of the Company shall be sufficient to pay any benefits to any person. Nothing herein shall preclude the Company from purchasing life insurance policies to provide any of the Benefits or to have any such policies purchased held by the Trust.

9.4 No Employment Rights. Nothing contained herein shall be construed as conferring upon any Participant the right to continue in the employ of the Company as an employee.

9.5 Offset. If, at the time payments or installments of payments are to be made hereunder, either the Participant or Beneficiary is indebted or obligated to the Company, then the payments remaining to be made to the Participant or the Beneficiary may, at the discretion of the Company, be reduced by the amount of such indebtedness or obligation.

However, an election by the Company not to reduce any such payment or payments shall not constitute a waiver of its claim, or prohibit or otherwise impair the Company's right to offset future payments for such indebtedness or obligation.

9.6 Non-assignability. Neither a Participant, a Beneficiary, nor any other person shall have any voluntary or involuntary right to commute, sell, assign, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are expressly declared to be unassignable and non-transferable. No part of the amounts payable shall be, prior to actual payment, subject to seizure or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant, a Beneficiary, or any other person, or be transferable by operation of law in the event of a Participant's, a Beneficiary's, or any other person's bankruptcy or insolvency.

9.7 Notice. Any notice required or permitted to be given under the Plan shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, and if given to the Committee or the Company, delivered to the principal office of the Company, directed to the attention of the Committee, or if delivered in such other manner as the Committee or Company may direct. Such notice shall be deemed given as of the date of delivery, or, if delivery is made by mail, as of the third business day after the date shown on the postmark or the receipt for registration or certification.

9.8 Governing Laws. The Plan shall be construed and administered according to the laws of the State of New York to the extent not preempted by federal law.

9.9 Severability. If a provision of the Plan shall be held illegal or invalid, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included in the Plan.

9.10 Successors. The terms and conditions of this Plan shall be binding upon and inure to the benefit of the Company, its successors and assigns and the Participant and his or her heirs, executors, administrators and legal representatives.

9.11 Compliance. The Committee shall impose such restrictions on the Plan, any interest therein or any interest constituting a security as it may deem advisable in order to comply with the Securities Act of 1933, as amended, the requirements of the New York Stock Exchange or any other applicable stock exchange or automated quotation system, any state securities laws applicable to such a transfer, any provision of the Company’s Certificate of Incorporation or Bylaws, or any other law, regulation or binding contract to which the Company is a party.

9.12 Tax Withholding. The Company shall have the right to deduct from amounts otherwise payable in settlement of a Participant’s Deferred Compensation Account any sums that federal, state, local or foreign tax law requires to be withheld with respect to such payment.

9.13 Entire Agreement. This Plan constitutes the entire understanding and agreement with respect to the subject matter contained herein, and there are no agreements, understandings, restrictions, representations or warranties among any Participant and the Company other than those set forth or provided for herein.

APPENDIX 1

Examples of Distributions Pursuant to Section 6.9

The examples set forth below are solely for purposes of illustration with respect to the valuation and distribution of amounts payable from the Plan:

(a) A Participant terminates employment on account of Retirement on March 2, 2020. The Participant has not made any provision for deferral or for payment other than in a single lump sum payment. The Participant's Deferred Compensation Account will be valued as of March 15, 2021 and distribution of the Deferred Compensation Account will be made no later than March 31, 2021.

(b) A Participant terminates employment on account of Retirement on March 2, 2020. The Participant has elected to have the payment deferred for two years following Retirement. The "distributable event" occurs on March 2, 2022. The Participant's Deferred Compensation Account will be valued as of March 15, 2023 and distribution of the Deferred Compensation Account will be made no later than March 31, 2023.

(c) A Participant terminates employment on account of Retirement on March 2, 2020. The Participant has elected to have the payment deferred for two years following Retirement and then to be paid in five installments. The "distributable event" occurs on March 2, 2022. The Participant's Deferred Compensation Account will be valued as of March 15, 2023. The value of the Deferred Compensation Account will be divided by five and the resulting amount will be distributed no later than March 31, 2023. The remaining Deferred Compensation Account will then be valued as of March 15, 2024. This value will be divided by four and the resulting amount will be distributed no later than March 31, 2024. Subsequently, one-third of the March 15, 2025 value will be distributed no later than March 31, 2025, one-half of the March 15, 2026 value will be distributed no later than March 31, 2026 and the balance of the Deferred Compensation Account, valued as of March 15, 2027 will be distributed no later than March 31, 2027.

APPENDIX 2

Notwithstanding any provision of the Plan to the contrary, those employees of Knowles Corporation, and of those entities which were spun-off to the shareholders of the Company together with Knowles Corporation, who were actively employed, or were on a leave of absence approved, by Knowles Corporation or such entities, ceased to be Participants in the Plan effective as of December 31, 2013, and such employees were not eligible to defer any Compensation earned in any Plan Year commencing after December 31, 2013 (but Bonus deferrals in respect of the 2013 Plan Year was credited to a Participant's Deferred Compensation Account when paid in 2014), and employees of such entities were not permitted to become Participants in the Plan after December 31, 2013. The Deferred Compensation Accounts for such employees of Knowles Corporation and such entities were assumed by Knowles Corporation as of the effective date of the spin-off transaction and ceased to be a liability of the Company.

APPENDIX 3

3A.1.1 For purposes of this Appendix 3, the following terms shall have the meanings set forth below. Terms not otherwise defined in this Appendix 3 shall have the meaning given such terms under the Plan.

(a) "Affected Employee" means those employees of Apergy Corporation, and its subsidiaries who, as of the Effective Time, were actively employed or on a leave of absence approved by Apergy Corporation or its subsidiaries and who as of such date had a Deferred Compensation Account and/or Supplemental Accrued Benefit under the Plan.

(b) "Effective Time" has the meaning given such term under the Separation and Distribution Agreement between the Company and Apergy Corporation dated May 9, 2018.

3A.1.2 As of the Effective Time, the liability for the value of the Deferred Compensation Accounts (determined as of the Effective Time) of each Affected Employee was assumed by Apergy Corporation or one of its subsidiaries and shall be administered in accordance with the Apergy Executive Deferred Compensation Plan and ceased to be a liability of the Company.

3A.1.3 Effective as of May 1, 2018, (i) the accrued Supplemental Accrued Benefit, if any, of each Affected Employee was converted to an actuarially equivalent lump sum amount using the assumptions for determining actuarially equivalent lump sums in the SI-Dover Corporation Pension Program of the Dover Corporation Pension Plan as in effect as of immediately prior to the Effective Time, and (ii) following the conversion described in (i), the lump sum value shall was reduced by the amounts necessary to pay the employee portion of any Federal Insurance Contributions Act ("FICA") taxes payable with respect to the lump sum amount and any federal, state or local income taxes that became payable by an Affected Employee as a result of the reduction for FICA taxes as permitted under Treasury Regulation Section 1.409A-3(j)(4)(vii) using tax rate and other assumptions as determined by the Company.

3A.1.4 As of the Effective Time, the liability for the value of the lump sum Supplemental Accrued Benefit amount of each Affected Employee, as determined in accordance with Section 3A.1.3 of this Appendix 3, was assumed by Apergy Corporation or one of its subsidiaries, and shall be administered in accordance with the Apergy Executive Deferred Compensation Plan and ceased to be a liability of the Company.

Exhibit 31.1

Certification

I, Brad M. Cerepak, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dover Corporation;

2. Based on 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 on 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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. 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 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 registrant's 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.

Date: October 20, 2020

/s/ Brad M. Cerepak

Brad M. Cerepak
Senior Vice President & Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.2

Certification

I, Richard J. Tobin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dover Corporation;
2. Based on 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 on 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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. 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 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 registrant's 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.

Date: October 20, 2020

/s/ Richard J. Tobin

Richard J. Tobin
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32

Certification

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
with Respect to the Quarterly Report on Form 10-Q
for the Period ended September 30, 2020
of Dover Corporation

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Dover Corporation, a Delaware corporation (the “Company”), does hereby certify, to such officer’s knowledge, that:

1. The Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2020 (the “Form 10-Q**”**) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

2. Information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated:	October 20, 2020	/s/ Richard J. Tobin
		Richard J. Tobin
		President and Chief Executive Officer
		(Principal Executive Officer)
Dated:	October 20, 2020	/s/ Brad M. Cerepak
		Brad M. Cerepak
		Senior Vice President & Chief Financial Officer
		(Principal Financial Officer)

The certification set forth above is being furnished as an exhibit solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Form 10-Q or as a separate disclosure document of the Company or the certifying officers.