price concessions and sales returns. Allowances which are recorded at the time revenue is recognized, in accordance with SFAS No. 48, "Revenue Recognition When Right of Return Exists," are based upon historical price concessions and sales returns.

Cash Equivalents

The Company considers highly liquid investments with maturities of three months or less from the date of purchase to be cash equivalents. These investments are valued at cost, which approximates fair value.

Accounts Receivable Securitization

The Company accounts for the securitization of accounts receivable in accordance with SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." When the Company sells accounts receivable in securitizations, a subordinated residual interest in the securitized portfolio is retained by the Company (recorded in Other Current Assets). Gain or loss on sale of the accounts receivable depends in part on the previous carrying amount of the financial assets involved in the transfer, allocated between the assets sold and the residual interests based on their relative fair value at the date of transfer. Because quoted market prices are generally not available to determine the Company's fair value of the residual interest, the Company estimates the fair value of the residual interest by estimating future expected credit losses to determine the future expected cash flows, which generally approximate fair value given the securitized portfolio's short-term weighted average life. At the time the receivables are sold, the balances are removed from the Consolidated Balance Sheets. Costs associated with the sale of receivables, primarily related to the discount and loss on sale, are included in Other (Income) Expense, net.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market value. Market value for raw materials is based on replacement costs, and for other inventory classifications is based on net realizable value.

December 31, (in millions)	2002	2001
Raw materials	$ 17.4	$ 21.8
Work in process	14.7	23.6
Finished products	79.7	41.2
	$ 111.8	$ 86.6

Reserves for excess and obsolete inventory were approximately $9.6 million and $9.4 million at December 31, 2002 and 2001, respectively. During the years ended December 31, 2002, 2001 and 2000, the Company allocated $9.8 million, $8.4 million and $5.0 million, respectively, of general and administrative costs to inventory. General and administrative costs included in both the December 31, 2002 and 2001 inventory balances were $2.8 and $2.4 million, respectively.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost. Depreciation and amortization are principally calculated for financial reporting purposes on the straight-line method over the estimated useful lives of the related assets, which range from 20 to 50 years for buildings and improvements and from three to 15 years for machinery and equipment. Leasehold improvements are amortized over the life of the related facility leases or the asset, whichever is shorter. Straight-line and accelerated methods of depreciation are used for income tax purposes.

December 31, (in millions)	2002	2001
Land	$ 32.6	$ 34.3
Buildings and leasehold improvements	70.0	65.5
Machinery and equipment	192.8	179.7
Equipment with customers (Note 3)	101.5	46.0
Construction in progress	8.5	6.4
	405.4	331.9
Accumulated depreciation and amortization	(196.0)	(144.1)
	$ 209.4	$ 187.8

Depreciation expense was $29.6 million, $27.0 million and $34.2 million for the years ended December 31, 2002, 2001 and 2000, respectively. Repairs and maintenance expense was $9.1 million, $11.1 million and $10.2 million for the years ended December 31, 2002, 2001 and 2000, respectively.

Investments in Unconsolidated Affiliates

Investments in unconsolidated affiliates are accounted for under the cost method and have been designated as available-for-sale in accordance with the provisions of SFAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities." These investments are carried at fair market value, with unrealized gains and losses reported in