

COLUMBIA SPORTSWEAR CO
Form 10-Q
August 07, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended June 30, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-23939

COLUMBIA SPORTSWEAR COMPANY

(Exact name of registrant as specified in its charter)

Oregon

(State or other jurisdiction of
incorporation or organization)

14375 Northwest Science Park Drive

Portland, Oregon

(Address of principal executive offices)

(503) 985-4000

(Registrant's telephone number, including area code)

93-0498284

(IRS Employer
Identification Number)

97229

(Zip Code)

Indicate by check mark whether 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 and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post 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. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of Common Stock outstanding on July 25, 2014 was 35,043,513.

COLUMBIA SPORTSWEAR COMPANY
JUNE 30, 2014
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PART I. FINANCIAL INFORMATION

Item 1 – FINANCIAL STATEMENTS

COLUMBIA SPORTSWEAR COMPANY

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

(Unaudited)

	June 30, 2014	December 31, 2013	June 30, 2013
ASSETS			
Current Assets:			
Cash and cash equivalents	\$367,165	\$437,489	\$340,428
Short-term investments	27,238	91,755	90,181
Accounts receivable, net of allowance of \$6,977, \$8,282 and \$7,566, respectively	204,527	306,878	180,937
Inventories, net (Note 5)	456,448	329,228	423,765
Deferred income taxes	52,202	52,041	47,884
Prepaid expenses and other current assets	42,551	33,081	47,074
Total current assets	1,150,131	1,250,472	1,130,269
Property, plant and equipment, at cost, net of accumulated depreciation of \$345,153, \$326,380 and \$310,934, respectively	291,270	279,373	273,016
Intangible assets, net (Notes 3, 6)	149,221	36,288	36,952
Goodwill (Notes 3, 6)	69,257	14,438	14,438
Other non-current assets	25,412	25,017	22,359
Total assets	\$1,685,291	\$1,605,588	\$1,477,034
LIABILITIES AND EQUITY			
Current Liabilities:			
Accounts payable	\$239,906	\$173,557	\$185,984
Accrued liabilities (Note 7)	104,332	120,397	84,878
Income taxes payable	3,315	7,251	3,895
Deferred income taxes	66	49	18
Total current liabilities	347,619	301,254	274,775
Note payable to related party (Note 15)	15,734	—	—
Income taxes payable	4,373	13,984	13,205
Deferred income taxes	8,261	7,959	1,778
Other long-term liabilities	31,339	29,527	27,820
Total liabilities	407,326	352,724	317,578
Commitments and contingencies (Note 13)			
Columbia Sportswear Company Shareholders' Equity:			
Preferred stock; 10,000 shares authorized; none issued and outstanding	—	—	—
Common stock (no par value); 125,000 shares authorized; 35,040, 34,595 and 34,409 issued and outstanding, respectively (Note 10)	77,793	52,325	38,972
Retained earnings	1,154,103	1,157,733	1,082,634
Accumulated other comprehensive income (Note 9)	38,075	35,360	30,025
Total Columbia Sportswear Company shareholders' equity	1,269,971	1,245,418	1,151,631
Non-controlling interest (Note 4)	7,994	7,446	7,825
Total equity	1,277,965	1,252,864	1,159,456
Total liabilities and equity	\$1,685,291	\$1,605,588	\$1,477,034

See accompanying notes to condensed consolidated financial statements.

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Net sales	\$ 324,246	\$ 280,495	\$ 748,330	\$