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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 31, 1999

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 0-16255

JOHNSON WORLDWIDE ASSOCIATES, INC.
(Exact name of Registrant as specified in its charter)

Wisconsin	39-1536083
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1326 Willow Road, Sturtevant, Wisconsin 53177
(Address of principal executive offices)

(414) 884-1500
(Registrant's telephone number, including area code)

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 [X] No [ ]

As of January 31, 2000, 6,905,429 shares of Class A and 1,222,729 shares of Class B common stock of the Registrant were outstanding.

JOHNSON WORLDWIDE ASSOCIATES, IN.

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JOHNSON WORLDWIDE ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended	
(thousands, except per share data)	December 31 1999	January 1 1999
Net sales	$ 56,201	$ 48,144
Cost of sales	34,289	30,333
Gross profit	21,912	17,811
Operating expenses:		
Marketing and selling	13,134	12,101
Administrative management, finance and information systems	6,065	5,563
Research and development	1,651	1,583
Amortization of acquisition costs	761	708
Profit sharing	110	35
Strategic charges	52	942
Total operating expenses	21,773	20,932
Operating profit (loss)	139	(3,121)
Interest income	(105)	(93)
Interest expense	2,272	2,229
Other income, net	(211)	(6)
Loss from continuing operations before income taxes	(1,817)	(5,251)
Income tax benefit	(782)	(2,213)
Loss from continuing operations	(1,035)	(3,038)
Income (loss) from discontinued operations, net of income tax expense (benefit) of $(578) and $15, respectively	(941)	19
Loss on disposal of discontinued operations, net of income tax benefit of $(2,801)	(23,109)	--
Net loss	$ (25,085)	$ (3,019)
Basic loss per common share:		
Continuing operations	$ (0.13)	$ (0.37)
Discontinued operations	(2.96)	--
Net loss	$ (3.09)	$ (0.37)
Diluted loss per common share:		
Continuing operations	$ (0.13)	$ (0.37)
Discontinued operations	(2.96)	--
Net loss	$ (3.09)	$ (0.37)

The accompanying notes are an integral part of the consolidated financial statements.

JOHNSON WORLDWIDE ASSOCIATES, INC.

CONSOLIDATED BALANCE SHEETS
(unaudited)

(thousands, except share data)	December 31 1999	October 1 1999	January 1 1999
ASSETS			
Current assets:			
Cash and temporary cash investments	$ 8,936	$ 9,974	$ 10,955
Accounts receivable, less allowance for doubtful accounts of $3,340, $3,236 and $2,326, respectively	48,930	49,302	49,532
Inventories	72,604	59,981	66,375
Deferred income taxes	7,679	4,718	5,715
Other current assets	5,991	5,644	7,742
Net assets of discontinued operations	38,356	55,912	61,444
Total current assets	182,496	185,531	201,763
Property, plant and equipment	36,227	35,322	32,171
Deferred income taxes	15,376	11,277	11,095
Intangible assets	61,712	65,599	62,422
Other assets	1,834	1,094	853
Total assets	$ 297,645	$ 298,823	$ 308,304
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term debt and current maturities of long-term debt	$ 88,210	$ 49,327	$ 75,902
Accounts payable	18,446	16,034	12,911
Accrued liabilities:			
Salaries and wages	5,017	6,912	4,278
Other	18,170	21,924	14,399
Total current liabilities	129,843	94,197	107,490
Long-term debt, less current maturities	64,573	72,744	74,828
Other liabilities	4,796	4,704	4,575
Total liabilities	199,212	171,645	186,893
Shareholders' equity:			
Preferred stock: none issued	--	--	--
Common stock:			
Class A shares issued: December 31, 1999, 6,910,709; October 1, 1999, 6,910,577; January 1, 1999, 6,910, 577	345	345	345
Class B shares issued (convertible into Class A): December 31, 1999, 1,222,729: October 1, 1999, 1,222,861; January 1, 1999, 1,222,861	61	61	61
Capital in excess of par value	44,205	44,205	44,205
Retained earnings	66,746	91,832	82,048
Contingent compensation	(115)	(134)	(15)
Other comprehensive income - cumulative foreign currency translation adjustment	(12,727)	(9,049)	(4,618)
Treasury stock, Class A shares, at cost: December 31, 1999, 5,280; October 1, 1999, 5,280; January 1, 1999, 39,532	(82)	(82)	(615)
Total shareholders' equity	98,433	127,178	121,411
Total liabilities and shareholders' equity	$ 297,645	$ 298,823	$ 308,304

The accompanying notes are an integral part of the consolidated financial statements.

JOHNSON WORLDWIDE ASSOCIATES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

(thousands)	Three Months Ended December 31 1999	Three Months Ended January 1 1999
CASH USED FOR OPERATIONS		
Net loss	$ (25,085)	$ (3,019)
Less income (loss) from discontinued operations	(24,050)	19
Loss from continuing operations	(1,035)	(3,038)
Adjustments to reconcile net loss to net cash used for operating activities of continuing operations :		
Depreciation and amortization	3,073	2,775
Deferred income taxes	(2,826)	(537)
Change in assets and liabilities, net of effect of businesses acquired or sold:		
Accounts receivable	(499)	(2,098)
Inventories	(14,131)	(3,074)
Accounts payable and accrued liabilities	(2,761)	(9,155)
Other, net	728	(405)
Net cash used for operating activities of continuing operations	(17,451)	(15,532)
CASH USED FOR INVESTING ACTIVITIES		
Net assets of businesses acquired, net of cash	--	(4,233)
Net additions to property, plant and equipment	(3,449)	(2,713)
Net cash used for investing activities of continuing operations	(3,449)	(6,946)
CASH PROVIDED BY FINANCING ACTIVITIES		
Principal payments on senior notes and other long-term notes	(5,500)	--
Net change in short-term debt	36,823	26,876
Net cash provided by financing activities of continuing operations	31,323	26,876
Effect of foreign currency fluctuations on cash	(485)	39
Net cash used for discontinued operations	(10,976)	(3,812)
Increase (decrease) in cash and temporary cash investments	(1,038)	625
CASH AND TEMPORARY CASH INVESTMENTS		
Beginning of period	9,974	10,330
End of period	$ 8,936	$ 10,955

The accompanying notes are an integral part of the consolidated financial statements.

JOHNSON WORLDWIDE ASSOCIATES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

1 Basis of Presentation

The consolidated financial statements included herein are unaudited. In the opinion of management, these statements contain all adjustments (consisting of only normal recurring items) necessary to present fairly the financial position of Johnson Worldwide Associates, Inc. and subsidiaries (the Company) as of December 31, 1999 and the results of operations and cash flows for the three months ended December 31, 1999. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1999 Annual Report.

Because of seasonal and other factors, the results of operations for the three months ended December 31, 1999 are not necessarily indicative of the results to be expected for the full year.

All amounts, other than share and per share amounts, are stated in thousands.

Certain amounts as previously reported have been reclassified to conform with the current period presentation. See Note 6.

2 Income Taxes

The provision for income taxes includes deferred taxes and is based upon estimated annual effective tax rates in the tax jurisdictions in which the Company operates.

3 Inventories

Inventories related to continuing operations at the end of the respective periods consist of the following:

	December 31 1999	October 1 1999	January 1 1999
Raw materials	$ 26,542	$ 22,702	$ 22,408
Work in process	3,127	3,176	3,169
Finished goods	47,652	39,014	45,679
	77,321	64,892	71,256
Less reserves	4,717	4,911	4,881
	$ 72,604	$ 59,981	$ 66,375

4 Earnings Per Share

The following table sets forth the computation of basic and diluted loss per common share from continuing operations:

	Three Months Ended	
	December 31 1999	January 1 1999
Loss from continuing operations for basic and diluted earnings per share	$ (1,035)	$ (3,038)
Weighted average common shares outstanding	8,128,158	8,093,906
Less nonvested restricted stock	20,500	4,158
Basic and diluted average common shares	8,107,658	8,089,748
Basic loss per common share from continuing operations	$(0.13)	$ (0.37)
Diluted loss per common share from continuing operations	$(0.13)	$ (0.37)

5 Stock Ownership Plans

A summary of stock option activity related to the Company's plans is as follows:

	Shares	Weighted Average Exercise Price
Outstanding at October 1, 1999	778,837	$14.02
Granted	165,500	7.63
Cancelled	23,032	18.11
Outstanding at December 31, 1999	921,305	$12.77

Options to purchase 733,005 shares of common stock with a weighted average exercise price of $15.72 per share were outstanding at January 1, 1999.

6 Sale of Fishing Business

In January 2000, the Company entered into an agreement for the sale of its Fishing business. As a result, operations of the Fishing group have been classified as discontinued for all periods presented herein. The sale price totaled $34,500, subject to an adjustment for the level of net assets at closing. The Company recorded a loss of $23,109 related to the sale of the business, taking into account operating results expected to the date of disposal. Since the plan to divest the business was approved prior to the formal issuance of the Company's first quarter financial statements, the loss is required to be recognized in first quarter results. The transaction is expected to close in February 2000.

Net sales of the Fishing group total $10,994 and $11,856 for the three months ended December 31, 1999 and January 1, 1999, respectively. Interest expense of $36 and $54, respectively, that is directly attributable to the Fishing group is allocated to discontinued operations.

7 Comprehensive Income

Comprehensive income includes net income and changes in shareholders' equity from non-owner sources. For the Company, the elements of comprehensive income excluded from net income are represented primarily by the cumulative foreign currency translation adjustment.

Comprehensive loss for the respective periods consists of the following:

	Three Months Ended	
	December 31 1999	January 1 1999
Net loss	$ (25,085)	$ (3,019)
Translation adjustment	(3,678)	33
Comprehensive loss	$ (28,763)	$ (2,986)

8 Segments of Business

The Company conducts its worldwide operations through separate global business units, each of which represent major product lines. Operations are conducted in the United States and various foreign countries, primarily in Europe, Canada and the Pacific Basin.

Net sales and operating profit include both sales to customers, as reported in the Company's consolidated statements of operations, and interunit transfers, which are priced to recover cost plus an appropriate profit margin. Identifiable assets represent assets that are used in the Company's operations in each business unit at the end of the periods presented.

A summary of the Company's continuing operations by business unit is presented below:

	Three Months Ended	
	December 31 1999	January 1 1999
Net sales:		
Outdoor Equipment:		
Unaffiliated customers	$ 18,007	$ 15,000
Interunit transfers	3	10
Diving:		
Unaffiliated customers	16,033	17,645
Interunit transfers	--	3
Motors:		
Unaffiliated customers	11,361	9,025
Interunit transfers	370	339
Watercraft:		
Unaffiliated customers	10,076	5,782
Interunit transfers	16	12
Other	724	692
Eliminations	(389)	(364)
	$ 56,201	$ 48,144
Operating profit (loss):		
Outdoor Equipment:	$ 660	$ (946)
Diving	1,639	(568)
Motors	(801)	(942)
Watercraft	273	150
Other	(1,632)	(815)
	$ 139	$ (3,121)
Identifiable assets:		
Outdoor Equipment:	$ 45,943	$ 44,555
Diving	89,018	105,330
Motors	32,092	27,356
Watercraft	63,128	40,114
Discontinued operations, net	38,356	61,444
Other	29,108	29,505
	$ 297,645	$ 308,304

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion includes comments and analysis relating to the Company's results of operations and financial condition for the three months ended December 31, 1999 and January 1, 1999. This discussion should be read in conjunction with the consolidated financial statements and related notes that immediately precede this section, as well as the Company's 1999 Annual Report.

Forward Looking Statements

Certain matters discussed in this Form 10-Q are "forward-looking statements," intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement includes phrases such as the Company "expects," "believes" or other words of similar meaning. Similarly, statements that describe the Company's future plans, objectives or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties which could cause actual results or outcomes to differ materially from those currently anticipated. Factors that could affect actual results or outcomes include changes in consumer spending patterns, actions of companies that compete with the Company, the Company's success in managing inventory, movements in foreign currencies or interest rates, and adverse weather conditions. Shareholders, potential investors and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included herein are only made as of the date of this Form 10-Q and the Company undertakes no obligations to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Results of Continuing Operations

Net sales for the three months ended December 31, 1999 totaled $56.2 million, an increase of 16.7%, or $8.1 million, over the three months ended January 1, 1999. Sales of all businesses except the Diving business exhibited strong sales growth. Acquisitions consumated after December 1998 accounted for $2.6 million of the growth in sales in the current year. The Diving business, which did not experience an increase in sales, was adversely impacted primarily by weakness in foreign currency movements.

Relative to the U.S. dollar, the average values of most currencies of the countries in which the Company has operations were lower for the three months ended December 31, 1999 as compared to the corresponding period of the prior year. Excluding the impact of foreign currencies, net sales increased 21.7 % for the three months ended December 31, 1999.

Gross profit as a percentage of sales increased to 39.0% for the three months ended December 31, 1999 compared to 37.0 % in the corresponding period in the prior year. Strong sales growth, an improved mix of products sold and improved factory utilization all contributed to the increase.

The Company recorded an operating profit of $0.1 million for the three months ended December 31, 1999, compared to an operating loss of $3.1 million for the corresponding period of the prior year. Operating expense growth of 8.7% was substantially less than the growth rate of sales, which contributed to the improved operating results. Decreased strategic charges related to integration of acquired businesses in the prior year also contributed to the improvement.

Interest expense totaled $2.3 million for the three months ended December 31, 1999 compared to $2.2 million for the corresponding period of the prior year. Increased debt levels due to acquisitions consummated in 1999 and an unfavorable interest rate environment were substantially offset by improved management of working capital.

The Company incurred a loss from continuing operations of $1.0 million in the three months ended December 31, 1999 compared to a loss of $3.0 million in the corresponding period of the prior year. On a per share basis, the loss totaled $0.13 compared to $0.37 in the prior year.

Discontinued Operations

In January 2000, the Company entered into an agreement for the sale of its Fishing business. As a result, operations of the Fishing group have been classified as discontinued for all periods presented herein. The sale price totaled $34.5 million, subject to an adjustment for the level of net assets at closing. The Company recorded a loss of $23.1 million related to the sale of the business, taking into account operating results expected to the date of disposal. Since the plan to divest the business was approved prior to the formal issuance of the Company's first quarter financial statements, the loss is required to be recognized in first quarter results. The transaction is expected to close in February 2000.

Net sales of the Fishing group total $11.0 million and $11.9 million for the three months ended December 31, 1999 and January 1, 1999, respectively. Interest expense of $36 thousand and $54 thousand, respectively, that is directly attributable to the Fishing group is allocated to discontinued operations.

Financial Condition

The following discusses changes in the Company's liquidity and capital resources related to continuing operations.

Operations

Cash flows used for operations totaled $17.5 million for the three months ended December 31, 1999 and $15.5 million for the corresponding period of the prior year. Growth in inventories of $14.1 million for the three months ended December 31, 1999 and $3.1 million for the corresponding period of the prior year account for a significant amount of the net usage of funds. The build up of inventory in anticipation of the selling season contributed to the increase in both years. Inventory turns increased for the period ended December 31, 1999 compared to the corresponding period of the prior year.

Accounts receivable increased $0.5 million for the three months ended December 31, 1999 and $2.1 million for the corresponding period of the prior year.

Accounts payable and accrued liabilities decreased $2.8 million for the three months ended December 31, 1999 and $9.2 million for the corresponding period of the prior year, increasing the net outflow of cash from operations. These outflows include seasonal payments for interest expense, incentive compensation and retirement programs.

Depreciation and amortization charges were $3.1 million for the three months ended December 31, 1999 and $2.8 million for the corresponding period of the prior year. The increase was due primarily to increased depreciation and amortization of assets from businesses acquired in 1999.

Deferred income taxes increased $2.8 million for the three months ended December 31, 1999 due primarily to losses incurred from the sale of the Fishing business.

Investing Activities

Expenditures for property, plant and equipment were $3.4 million for the three months ended December 31, 1999 and $2.7 million for the corresponding period of the prior year. The Company's recurring investments are made primarily for tooling for new products and enhancements. In 2000, capitalized expenditures are anticipated to total approximately $12 million. These expenditures are expected to be funded by working capital or existing credit facilities. The Company completed the acquisition of one business in the prior year, which increased tangible and intangible assets by $4.2 million, net of cash and liabilities assumed.

Financing Activities

Cash flows from financing activities totaled $31.3 million for the three months ended December 31, 1999 and $26.9 million for the corresponding period of the prior year. The closing of the sale of the Fishing business will result in a substantal reduction of short-term debt and a $16 million reduction of long-term debt.

Market Risk Management

The Company is exposed to market risk stemming from changes in foreign exchange rates, interest rates and, to a lesser extent, commodity prices. Changes in these factors could cause fluctuations in earnings and cash flows. In the normal course of business, exposure to certain of these market risks is managed by entering into hedging transactions authorized under Company policies that place controls on these activities. Hedging transactions involve the use of a variety of derivative financial instruments. Derivatives are used only where there is an underlying exposure: not for trading or speculative purposes.

Foreign Operations

The Company has significant foreign operations, for which the functional currencies are denominated primarily in Swiss and French francs, German marks, Italian lire, Japanese yen and Canadian dollars. As the values of the currencies of the foreign countries in which the Company has operations increase or decrease relative to the U.S. dollar, the sales, expenses, profits, assets and liabilities of the Company's foreign operations, as reported in the Company's Consolidated Financial Statements, increase or decrease, accordingly. The Company mitigates a portion of the fluctuations in certain foreign currencies through the purchase of foreign currency swaps, forward contracts and options to hedge known commitments, primarily for purchases of inventory and other assets denominated in foreign currencies.

Interest Rates

The Company's debt structure and interest rate risk are managed through the use of fixed and floating rate debt. The Company's primary exposure is to United States interest rates. The Company also periodically enters into interest rate swaps, caps or collars to hedge its exposure and lower financing costs.

Commodities

Certain components used in the Company's products are exposed to commodity price changes. The Company manages this risk through instruments such as purchase orders and non-cancelable supply contracts. Primary commodity price exposures are metals and packaging materials.

Sensitivity to Changes in Value

The estimates that follow are intended to measure the maximum potential fair value or earnings the Company could lose in one year from adverse changes in foreign exchange rates or market interest rates under normal market conditions. The calculations are not intended to represent actual losses in fair value or earnings that the Company expects to incur. The estimates do not consider favorable changes in market rates. Further, since the hedging instrument (the derivative) inversely correlates with the underlying exposure, any loss or gain in the fair value of derivatives would be generally offset by an increase or decrease in the fair value of the underlying exposures. The positions included in the calculations are foreign exchange forwards, currency swaps and fixed rate debt. The calculations do not include the underlying foreign exchange positions that are hedged by these market risk sensitive instruments. The table below presents the estimated maximum potential one year loss in fair value and earnings before income taxes from a 10% movement in foreign currencies and a 100 basis point movement in interest rate market risk sensitive instruments outstanding at December 31, 1999:

	Estimated Impact on	
(millions)	Fair Value	Earnings Before Income Taxes
Foreign exchange rate instruments	$2.7	$0.4
Interest rate instruments	2.7	0.7

Other Factors

The Company has not been significantly impacted by inflationary pressures over the last several years. The Company anticipates that changing costs of basic raw materials may impact future operating costs and, accordingly, the prices and margins of its products. The Company is involved in continuing programs to mitigate the impact of cost increases through changes in product design and identification of sourcing and manufacturing efficiencies. Price increases and, in certain situations, price decreases are implemented for individual products, when appropriate.

Year 2000

The year 2000 issue is the result of computer programs using two digits (rather than four) to define years. Computers or other equipment with date sensitive software may recognize "00" as the year 1900 rather than 2000. This could result in system failures or miscalculations. If the Company or its significant customers or suppliers fail to correct year 2000 issues, the Company's ability to operate could be materially affected.

The Company did not experience any significant malfunctions or errors in its information or non-information technology systems when the date changed from 1999 to 2000, and the Company has not experienced any significant problems with its suppliers or customers as a result of the date change.

Based on operations since December 31, 1999, the Company does not expect any significant impact on its business as a result of the year 2000 issue. Because it is possible that the full impact of the date change has not been fully recognized, the Company will continue to monitor the year 2000 situation through additional key dates, such as February 29, 2000. The Company believes, however, that any potential problems are likely to be minor and correctable.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information with respect to this item is included in Management's Discussion and Analysis of Financial Condition and Results of Operations under the heading "Market Risk Management."

PART II OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) The following documents are filed as part of this Form 10-Q

Exhibit 27: Financial Data Schedule

(b) There were no reports on Form 8-K filed for the three months ended December 31, 1999.

SIGNATURES

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

JOHNSON WORLDWIDE ASSOCIATES, INC.

Date: February 14, 2000

/s/ Carl G. Schmidt

Carl G. Schmidt
Senior Vice President and Chief Financial Officer,
Secretary and Treasurer
(Principal Financial and Accounting Officer)

JOHNSON WORLDWIDE ASSOCIATES, INC.
EXHIBIT INDEX

Exhibit	Description	Page Number
27	Financial Data Schedule	-

THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF JOHNSON WORLDWIDE ASSOCIATES, INC. AS OF AND FOR THE PERIOD ENDED DECEMBER 31, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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3-MOS
SEP-29-2000
OCT-02-1999
DEC-31-1999
8,936
0
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