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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): May 3, 2019

Johnson Outdoors Inc.

(Exact Name of Registrant as Specified in Charter)

Wisconsin
(State or Other Jurisdiction of Incorporation)

0-16255
(Commission File Number)

39-1536083
(I.R.S. Employer Identification Number)

555 Main Street, Racine, Wisconsin 53403
(Address of Principal Executive Offices) (Zip Code)

(262) 631-6600
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth 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.

Section 2 Financial Information

Item 2.02. Results of Operations and Financial Condition.

On May 3, 2019, Johnson Outdoors Inc. (the “Company”) issued a press release announcing results for the second fiscal quarter ended March 29, 2019 (the “Press Release”). A copy of the Press Release is being furnished as Exhibit 99.1 to this Report.

The information in this Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that Section, nor shall such information be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise stated in such filing.

Section 9 Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibit is being furnished herewith:

[99.1 Press Release Dated May 3, 2019.](#)

SIGNATURE

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 hereunto duly authorized.

Johnson Outdoors Inc.

Date: May 3, 2019

By: /s/ David W. Johnson

David W. Johnson

Vice President and Chief Financial Officer

JOHNSON OUTDOORS INC.

Exhibit Index to Current Report on Form 8-K

Exhibit Number

99.1

[Press Release Dated May 3, 2019.](#)

Johnson Outdoors Reports Fiscal Second Quarter Results

RACINE, Wis., May 03, 2019 (GLOBE NEWSWIRE) -- **Johnson Outdoors Inc. (Nasdaq:JOUT)**, a leading global innovator of outdoor recreation equipment and technology, today reported increased sales and earnings during the Company's 2019 second fiscal quarter ending March 29, 2019, and double-digit growth in net income during the first fiscal six-month period.

"Innovation is at the core of who we are, powering sustained marketplace success and growth of our brands. This year's strong customer response to new products and the ongoing popularity of legacy innovations firmly position Minn Kota® and Humminbird® on an upward trajectory heading into the warm-weather season. Likewise, Diving is benefitting from new product performance, currently representing about a third of Scubapro® sales. Conversely, challenging market conditions in Watercraft Recreation and Camping emphasize the critical importance of continued investment in digital and marketing excellence and eCommerce sophistication," said Helen Johnson-Leipold, Chairman and Chief Executive Officer.

SECOND QUARTER RESULTS

Sales in the second fiscal quarter reflect shipments to customers in anticipation of the primary retail-selling period for the outdoor recreation industry's warm-weather products. Net sales rose 7 percent to \$177.7 million in the current fiscal second quarter compared to \$165.8 million in the prior year quarter, driven by positive momentum in the Company's Fishing and Diving groups. Key contributing factors in year-over-year quarterly comparisons in each group were:

- Favorable response to new products propelled a 10.1 percent increase in Fishing revenue.
- Strong performance in North America drove a 3.7 percent increase in Diving sales. On a currency neutral basis, sales were 7.4 percent higher than the prior year quarter.
- Watercraft Recreation sales declined due to continued kayak market weakness.
- Lower sales across tent categories primarily accounted for the unfavorable year-over-year comparison in Camping.

Total Company operating profit in the fiscal second quarter was \$27.8 million compared with operating profit of \$26.0 million in the previous year quarter. Gross margin of 44.5 percent was slightly below the prior year quarter due in part to the unfavorable impact of \$1.4 million in Section 301 tariffs on Chinese goods and components. Operating expense during the quarter increased 6.4 percent year-over-year due primarily to higher deferred compensation expense resulting from a \$2.0 million upward adjustment in the valuation of the plan's assets; however, an offsetting gain was reflected in other income/expenses. Net income of \$21.9 million, or \$2.18 per diluted share, in the fiscal second quarter improved slightly versus the previous fiscal year's second quarter.

YEAR-TO-DATE RESULTS

Fiscal 2019 year-to-date net sales of \$282.1 million were on par with the record-high fiscal six-month period last year. Total Company operating profit increased 2.4 percent to \$33.8 million compared with the prior fiscal year-to-date period. Year-to-date gross margin improved to 43.8 percent versus 43.6 percent for the previous fiscal year first six months, despite the negative impact of \$2.1 million in Section 301 tariffs. Operating expense declined during the first half of the fiscal year due primarily to lower warranty expense and a favorable impact from valuation adjustments in the Company's deferred compensation plan during the period. Net income of \$25.4 million, or \$2.53 per diluted share, in the first fiscal six-month period compared favorably to net income of \$21.9 million, or \$2.18 per diluted share, in the prior year-to-date period. The year-to-date effective tax rate of 25.9 percent compared favorably to the previous year fiscal first six months, which reflected charges associated with initial implementation of the new U.S. Tax Reform Act.

OTHER FINANCIAL INFORMATION

As of March 29, 2019, cash totaled \$68.2 million compared with the Company's cash position of \$51.1 million at March 30, 2018. Depreciation and amortization were \$6.8 million in the current year-to-date period versus \$6.4 million in the prior fiscal first six-months. Capital spending totaling \$8.2 million during the first six-month period declined from \$10.9 million in the previous year-to-date period.

On March 19, 2019, the Company received an exclusion from Section 301 tariffs for a component for products assembled in the United States. As a result of this exclusion, the Company now estimates a reduced impact of Section 301 tariffs on fiscal 2019 profits of \$5-7 million. The exclusion applies for one year from the date it was granted, and the Company will be reimbursed for tariffs previously assessed and paid on the excluded component. At this time, other product components remain subject to Section 301 tariffs.

"Looking ahead, we continue to expect moderate sales growth this fiscal year and will pursue a range of additional Section 301 tariff mitigation efforts with respect to other affected product components with the goal of further reducing their impact on profitability," said David W. Johnson, Vice President and Chief Financial Officer. "Nonetheless, we continue to benefit from our ongoing focus on improved operational efficiency, enabling us to protect margins and effectively manage working capital. The balance sheet remains strong, and our growing cash position enables us to continue investment against strategic priorities and opportunities to expand our business and growth potential. We remain confident in our ability and plans to create long-term value and consistently pay dividends to shareholders."

WEBCAST

The Company will host a conference call and audio web cast at 11:00 a.m. Eastern Time on Friday, May 3, 2019. A live listen-only web cast of the conference call may be accessed at Johnson Outdoors' home page. A replay of the call will be available for 30 days on the Internet.

About Johnson Outdoors Inc.

JOHNSON OUTDOORS is a leading global innovator of outdoor recreation equipment and technologies that inspire more people to experience the awe of the great outdoors. The company designs, manufactures and markets a portfolio of winning, consumer-preferred brands across four categories: Watercraft Recreation, Fishing, Diving and Camping. Johnson Outdoors' iconic brands include: Old Town[®] canoes and kayaks; Ocean Kayak[™]; Carlisle[®] paddles; Minn Kota[®] fishing motors, batteries and anchors; Cannon[®] downriggers; Humminbird[®] marine electronics and charts; SCUBAPRO[®] dive equipment; Jetboil[®] outdoor cooking systems; and, Eureka![®] camping and hiking equipment.

Visit Johnson Outdoors at <http://www.johnsonoutdoors.com>

Safe Harbor Statement

Certain matters discussed in this press release are "forward-looking statements," intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical fact are considered forward-looking statements. These statements may be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "confident," "could," "expect," "intend," "may," "planned," "potential," "should," "will," "would" or the negative of those terms or other words of similar meaning. 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 the matters described under the caption "Risk Factors" in Item 1A of the Company's Form 10-K which was filed with the Securities and Exchange Commission on December 7, 2018, and the following: changes in economic conditions, consumer confidence levels and discretionary spending patterns in key markets; uncertainties stemming from changes in U.S. trade policies, tariffs, and the reaction of other countries to such changes; the Company's success in implementing its strategic plan, including its targeted sales growth platforms, innovation focus and its increasing digital presence; litigation costs related to actions of and disputes with third parties, including competitors; the Company's continued success in its working capital management and cost-structure reductions; the Company's success in integrating strategic acquisitions; the risk of future write-downs of goodwill or other long-lived assets; the ability of the Company's customers to meet payment obligations; movements in foreign currencies, interest rates or commodity costs; fluctuations in the prices of raw materials or the availability of raw materials or components used by the Company; any disruptions in the Company's supply chain as a result of material fluctuations in the Company's order volumes and requirements for raw materials and other components necessary to manufacture and produce the Company's products; the success of the Company's suppliers and customers and the impact of any consolidation in the industries of the Company's suppliers and customers; the ability of the Company to deploy its capital successfully; unanticipated outcomes related to outsourcing certain manufacturing processes; unanticipated outcomes related to litigation matters; 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 filing. The Company assumes no obligation, and disclaims any obligation, to update such forward-looking statements to reflect subsequent events or circumstances.

FINANCIAL TABLES FOLLOW

Johnson Outdoors Inc.

(thousands, except per share amounts)

(thousands, except per share amounts)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	March 29 2019	March 30 2018	March 29 2019	March 30 2018
Operating Results				
Net sales	\$ 177,707	\$ 165,778	\$ 282,147	\$ 282,357
Cost of sales	98,578	91,583	158,699	159,351
Gross profit	79,129	74,195	123,448	123,006
Operating expenses	51,285	48,193	89,626	89,967
Operating profit	27,844	26,002	33,822	33,039
Interest (income) expense, net	(281)	(76)	(784)	(206)
Other (income) expense, net	(1,895)	(3,367)	255	(4,524)
Income before income taxes	30,020	29,445	34,351	37,769
Income tax expense	8,097	7,825	8,907	15,914
Net income	\$ 21,923	\$ 21,620	\$ 25,444	\$ 21,855

Diluted average common shares outstanding		10,028		9,993		10,015		9,979
Diluted net income per common share	\$	2.18	\$	2.15	\$	2.53	\$	2.18

Segment Results

Net sales:								
Fishing	\$	138,229	\$	125,506	\$	217,026	\$	214,413
Camping		9,529		10,082		15,349		15,928
Watercraft Recreation		9,851		10,808		14,176		15,165
Diving		20,085		19,370		35,623		36,808
Other/eliminations		13		12		(27)		43
Total	\$	177,707	\$	165,778	\$	282,147	\$	282,357
Operating profit (loss):								
Fishing	\$	34,590	\$	30,762	\$	46,012	\$	44,827
Camping		419		302		(267)		(422)
Watercraft Recreation		(516)		(170)		(2,008)		(1,314)
Diving		1,423		14		716		(371)
Other		(8,072)		(4,906)		(10,631)		(9,681)
Total	\$	27,844	\$	26,002	\$	33,822	\$	33,039

Balance Sheet Information (End of Period)

Cash and cash equivalents					\$	68,205	\$	51,066
Accounts receivable, net						124,750		124,237
Inventories, net						116,231		94,607
Total current assets						316,273		272,273
Total assets						427,993		383,926
Total current liabilities						102,585		99,902
Total liabilities						127,292		122,681
Shareholders' equity						300,701		261,245

At Johnson Outdoors Inc.

David Johnson

VP & Chief Financial Officer
262-631-6600

Patricia Penman

VP – marketing services & global communications
262-631-6600