

Edgar Filing: LIFETIME HOAN CORP - Form 8-K

LIFETIME HOAN CORP  
Form 8-K  
July 31, 2003

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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 the earliest event reported) July  
31, 2003

Lifetime Hoan Corporation  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

1-19254  
(Commission File Number)

11-2682486  
(IRS Employer Identification No.)

One Merrick Avenue, Westbury, New York  
(Address of principal executive offices)

11590  
(Zip Code)

Registrant's telephone number, including area code: (516) 683-6000

N/A  
(Former name or former address, if changed since last report)

Item 7. Financial Statements and Exhibits

c) Exhibits

99 - Press Release, dated July 31, 2003

Item 12. Results of Operation and Financial Condition

On July 31, 2003, Lifetime Hoan Corporation ("the Company") issued a press release setting forth the Company's second-quarter 2003 earnings. A copy of the Company's press release is attached hereto as Exhibit 99 and hereby incorporated by reference.

Edgar Filing: LIFETIME HOAN CORP - Form 8-K

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 thereunto duly authorized.

Lifetime Hoan Corporation

By: /s/ Robert McNally  
Robert McNally  
Vice President of Finance and Chief  
Financial Officer

Date: July 31, 2003

EXHIBIT 99

LIFETIME HOAN REPORTS RECORD SALES AND STRONG EARNINGS  
GROWTH IN SECOND QUARTER 2003

New Products and Placements Produce Strong Outlook for  
Remainder of Year

WESTBURY, N.Y., July 31, 2003 -- LIFETIME HOAN CORPORATION (NASDAQ NM: LCUT), a leading marketer of housewares, today announced results for the second quarter ended June 30, 2003.

Net sales for the quarter were approximately \$30.0 million versus \$27.3 million in the second quarter of 2002. The Company reported income from continuing operations of \$724,000, or \$0.07 per diluted share, compared to income from continuing operations of \$617,000, or \$0.06 per diluted share, for the same period in 2002.

Jeffrey Siegel, president and chief executive officer, commented, "Lifetime Hoan's performance for the quarter was on track with our expectations. Despite the continued soft retail environment, we achieved a 10% growth in sales, primarily through increased sales of kitchen tools and gadgets and Kamensteinr pantryware."

"We recently began shipping products from our new CasaModa(R) line, which is focused on the growing market for casual home entertainment. These items include our S'mores Maker, a new, patent-pending, home entertaining product. Based on initial shipments, this product, which is designed for both indoor and outdoor use, has been an instant success at retail, outpacing our expectations and even making one of our major customers' "best seller" list. We expect the S'mores Maker to be widely available at many of our major retail customers by the end of August. We have also developed a number of variations of this product for

## Edgar Filing: LIFETIME HOAN CORP - Form 8-K

introduction in 2004."

Mr. Siegel continued, "The combination of exciting new products and significant additional placements of our core lines has produced a very positive outlook for Lifetime for the balance of 2003. We are therefore updating our earnings guidance, reflecting our increased confidence in our performance for the remainder of the year. We now expect Lifetime's net sales in 2003 to total approximately \$148 million to \$155 million. Earnings per share are estimated to total approximately \$0.75 to \$0.85 for the year."

As announced in 2002, Lifetime sold its 51% interest in the businesses of each of Prestige Italiana, Spa. and Prestige Haushaltswaren GmbH (together, the "Prestige Companies"). The loss from the Prestige Companies' operations for the second quarter of 2002 is reflected as discontinued operations on the Company's income statements.

Separately, the Company announced that its Board of Directors declared a regular quarterly cash dividend of \$0.0625 per share, payable on August 19, 2003 to shareholders of record on August 5, 2003.

Lifetime Hoan has scheduled a conference call Thursday, July 31 at 11:00 a.m. Eastern Time to discuss second-quarter 2003 results and additional matters. The dial-in number for the call is (706) 634-1218. A replay of the call will also be available through Friday, August 1, and can be accessed by dialing (706) 645-9291, conference ID #1745424. A live webcast of the call will be broadcast at the Company's web site, [www.lifetime.hoan.com](http://www.lifetime.hoan.com). For those who cannot listen to the live broadcast, an audio replay of the call will also be available on the site.

Lifetime Hoan Corporation is a leading designer, marketer and distributor of household cutlery, kitchenware, cutting boards, pantryware and bakeware, marketing its products under various trade names including Farberware(R) and Hoffritz(R). Through the use of various brand names, Lifetime Hoan's products are distributed through almost every major retailer in the U.S.

The information herein contains certain forward-looking statements including statements concerning the Company's future prospects. These statements involve risks and uncertainties, including risks relating to general economic conditions and risks relating to the Company's operations, such as the risk of loss of major customers and risks relating to changes in demand for the Company's products, as detailed from time to time in the Company's filings with the Securities and Exchange Commission.

Tables to follow

COMPANY CONTACT:  
Robert McNally  
Chief Financial Officer  
(516) 683-6000

INVESTOR RELATIONS:  
Harriet Fried  
Lippert/Heilshorn &  
Associates, Inc.  
(212) 838-3777 or

Edgar Filing: LIFETIME HOAN CORP - Form 8-K

hfried@lhai.com

LIFETIME HOAN CORPORATION  
CONSOLIDATED INCOME STATEMENTS  
(in 000's, except per share data)

	Three Months Ended		
	June 30, (Unaudited)		
	2003	2002	% Increase (Decrease)
Net Sales	\$29,950	\$27,281	9.8%
Cost of Sales	17,003	14,461	17.6%
Distribution Expenses	4,302	4,888	(12.0%)
SG&A	7,268	6,752	7.6%
Income from Operations	1,377	1,180	16.7%
Interest Expense	180	221	(18.6%)
Other Income	(18)	(7)	
Income Before Taxes	1,215	966	25.8%
Tax Provision	491	349	40.7%
Income from Continuing Operations	724	617	17.3%
Loss from Discontinued Operations	-	(227)	
Net Income	\$724	\$390	85.6%
Diluted Earnings Per Share from Continuing Operations	\$0.07	\$0.06	16.7%
Weighted Average Shares	10,637	10,574	
Diluted Earnings Per Share	\$0.07	\$0.04	75.0%
Weighted Average Shares	10,637	10,574	

LIFETIME HOAN CORPORATION  
CONSOLIDATED INCOME STATEMENTS  
(in 000's, except per share data)

	Six Months Ended		
	June 30, (Unaudited)		
	2003	2002	% Increase (Decrease)
Net Sales	\$54,234	\$51,468	5.4%
Cost of Sales	30,430	27,587	10.3%
Distribution Expenses	8,756	10,658	(17.8%)

Edgar Filing: LIFETIME HOAN CORP - Form 8-K

SG&A	14,589	13,650	6.9%
Income (Loss) from Operations	459	(427)	
Interest Expense	292	448	(34.8%)
Other Income	(35)	(29)	20.7%
Income (Loss) Before Taxes	202	(846)	
Tax Provision (Benefit)	82	(383)	
Income (Loss) from Continuing Operations	120	(463)	
Loss from Discontinued Operations	-	(344)	
Net Income (Loss)	\$120	(\$807)	
Diluted Earnings (Loss) Per Share from Continuing Operations	\$0.01	(\$0.04)	
Weighted Average Shares	10,599	10,495	
Diluted Earnings (Loss) Per Share	\$0.01	(\$0.08)	
Weighted Average Shares	10,599	10,495	

LIFETIME HOAN CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(in thousands)

	June 30, 2003 (Unaudited)	June 30, 2002 (Unaudited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 132	\$ 266
Accounts receivable, net	17,512	13,213
Merchandise inventories	46,564	46,036
Prepaid expenses and other current assets	4,243	5,593
Current assets of discontinued operations	-	6,438
TOTAL CURRENT ASSETS	68,451	71,546
PROPERTY AND EQUIPMENT, net	19,939	21,613
INTANGIBLES, net	23,757	24,148
OTHER ASSETS	2,090	2,045
OTHER ASSETS OF DISCONTINUED OPERATIONS	-	826
TOTAL ASSETS	\$ 114,237	\$ 120,178
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	\$ 15,500	\$ 22,094
Accounts payable and trade acceptances	6,331	6,080
Accrued expenses and other current liabilities	15,241	12,354
Current liabilities of discontinued		

Edgar Filing: LIFETIME HOAN CORP - Form 8-K

operations	-	3,113
TOTAL CURRENT LIABILITIES	37,072	43,641
MINORITY INTEREST	-	240
STOCKHOLDERS' EQUITY	77,165	76,297
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 114,237	\$ 120,178