

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

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### FILER

#### **AMERICAN BUSINESS PRODUCTS INC**

CIK: **4672** | IRS No.: **581030529** | State of Incorpor.: **GA** | Fiscal Year End: **1231**

Type: **8-K** | Act: **34** | File No.: **001-07088** | Film No.: **99671031**

SIC: **2670** Converted paper & paperboard prods (no containers/boxes)

#### Mailing Address

*PO BOX 105684  
ATLANTA GA 30348*

#### Business Address

*2100 RIVEREDGE PKWY STE  
1200  
PO BOX 105684  
ATLANTA GA 30328  
7709538300*

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):  
July 21, 1999

AMERICAN BUSINESS PRODUCTS, INC.  
(Exact name of registrant as specified in its charter)

GEORGIA  
(State of  
incorporation)

1-7088  
(Commission File No.)

58-1030529  
(I.R.S. Employer  
Identification No.)

2100 RIVEREDGE PARKWAY, SUITE 1200  
ATLANTA, GEORGIA 30328  
(Address of principal executive offices, including zip code)

(770) 953-8300  
(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS.

On July 21, 1999, the Registrant announced that Larry Gellerstedt, Chairman and Chief Executive Officer, will take a temporary leave of absence to care for a medical condition.

Details are contained in the Press Release, issued July 21, 1999 filed

as Exhibit 99 hereto and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits:

The following exhibit is filed herewith:

<TABLE>

<CAPTION>

EXHIBIT NO.

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DESCRIPTION

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<S>

99

<C>

Press Release, issued July 21, 1999 (without financial statements)

</TABLE>

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.

AMERICAN BUSINESS PRODUCTS, INC.

Dated: July 26, 1999

/s/ Richard G. Smith

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Vice President and Chief Financial Officer

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EXHIBIT INDEX

The following exhibits are filed as part of this Report.

<TABLE>

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AMERICAN BUSINESS PRODUCTS, INC.  
POST OFFICE BOX 105684 ATLANTA, GEORGIA 30348  
(770) 953-8300 FAX (770) 952-2343

Contact:  
Richard G. Smith  
Financial Officer  
American Business Products  
(770) 953-8300

FOR IMMEDIATE RELEASE

Investors: Robert P. Jones/Theresa Schillero  
Media Contact: Eileen King/Stacey Reed  
Morgen-Walke Associates, Inc.  
(212) 850-5600

AMERICAN BUSINESS PRODUCTS ANNOUNCES SECOND QUARTER RESULTS  
- Chairman and CEO to Take Temporary Leave of Absence -

Atlanta, GA, July 21, 1999 - American Business Products (NYSE:ABP) today announced financial results for the second quarter ended June 30, 1999.

Total revenues from continuing operations for the second quarter were up slightly to \$116.7 million compared to \$113.3 million in the same quarter last year. Net income from continuing operations for the quarter was \$4.6 million, or \$0.31 per diluted share. In the second quarter of 1998, the Company reported pro forma net income from continuing operations of \$6.1 million, or \$0.38 per diluted share.

The Company stated that the revenue increase is attributable to higher sales in its specialty packaging business, accounting for 62% of revenue, partially offset by the printed office products business which continues to be in a period of transition as the Company implements revenue generating initiatives. The Company also stated that the revenue decline at its printed office products business resulted in lower than anticipated earnings in the quarter.

Larry Gellerstedt, Chairman and Chief Executive commented, "We are very pleased with the progress we made during the second quarter. In our specialty packaging business, which includes soft packaging, labels and extrusion coating, we experienced an increased demand for core products to both our new e-commerce

and silicone coating customers and many of our traditional clients. More

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importantly, the initiatives we have taken to grow the top line at our printed office products business resulted in a slow down in the revenue decline for the third consecutive quarter."

He added, "We are encouraged by these results and remain committed to making the investments necessary to strengthen our specialty packaging business. We will also continue to focus on programs to increase revenues through improved sales force effectiveness, national account development, and core product sales at our printed office products business."

For the six month period ended June 30, 1999, the Company reported total revenues from continuing operations of \$228.7 million compared to \$232.4 million in the same period last year. Revenue in the specialty packaging business grew to \$146.8 million from \$141.3 million in the first half of 1998. In the printed office products business, the Company reported revenue of \$88.4 million over \$97.4 million in the comparable period last year. Net income from continuing operations was \$9.4 million, or \$0.62 per diluted share, for the first six months of 1999 compared to pro forma net income from continuing operations of \$12.8 million, or \$0.78 per diluted share, in the same period in 1998.

Separately, the Company announced that, effective immediately, Larry Gellerstedt, Chairman and Chief Executive Officer, will take a temporary leave of absence to care for a medical condition. "On the advice of my doctors, I have asked the Board for a three-month leave of absence. My condition is treatable and not life threatening, and I expect to return full time to my responsibilities as Chairman and CEO," said Mr. Gellerstedt.

The Board of Directors has authorized its Executive Committee to oversee the operations and strategic direction of the Company in Mr. Gellerstedt's absence. This Committee is comprised of Daniel W. McGlaughlin, G. Harold Northrop, and W. Stell Huie. Mr. McGlaughlin is the former President and CEO of Equifax, Inc. (NYSE:EFX) and current Chairman of S2 Corporation, Mr. Northrop was previously President and CEO of Callaway Gardens, and Mr. Huie is Senior Counsel of the law firm Long Aldridge & Norman LLP.

Mr. McGlaughlin stated, "Since joining ABP last year, Larry's main objective has been to leverage the Company's strengths - focusing on our core specialty packaging and printing capabilities and selling our non-core assets. Larry undertook these efforts with the full support of the Board of Directors, and has made great strides in that time. We are confident that the strong management team that Larry has built will continue to implement the Company's

strategic plan. Larry has the Board's full support, and we look forward to his return."

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The Company also stated that it had repurchased approximately 500,000 shares of its common stock in the first half of 1999 and approximately 1.6 million shares since the inception of the plan in December 1997. Under its repurchase program, American Business Products is authorized to purchase 3.7 million shares, or approximately 23% of the common stock outstanding at the inception of the program.

On June 1, the Company completed the sale of BookCrafters USA, its book manufacturing business, and reported breakeven results for the discontinued operation for the quarter.

American Business Products, Inc. is a leading supplier of specialty packaging and printed office products. ABP's specialty packaging companies include: Jen-Coat, Inc., a leader in extrusion coating and laminating of packaging and other products; International Envelope Company, the world's largest converter of Tyvek(R) mailers and other soft packages; and Discount Labels, Inc., the largest short-run custom label producer in the U.S. ABP's printed office products business, Curtis 1000 Inc., is a leader in direct-to-user marketing of custom-printed envelopes and labels, digital document services and business forms. Information on American Business Products can be found on the Company's website at [www.goabp.com](http://www.goabp.com).

This press release contains certain forward-looking statements, including statements relating to the future financial results of the Company. Caution should be taken in relying upon forward-looking statements in this release because they involve a number of risks and uncertainties that could cause actual results to differ materially from any such statements. These risks and uncertainties include the Company's ability to successfully implement its revenue enhancement strategies in its Printed Office Products business, develop and implement strategic initiatives and new products in its Specialty Packaging business, penetrate new distribution channels, and implement its Specialty Packaging acquisition strategy. Additional risk factors are detailed in the Company's periodic filings with the Securities and Exchange Commission, including those risks identified in the section captioned, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's annual report on Form 10-K for the year ended December 31, 1998, and its quarterly report on Form 10-Q for the quarter ended March 31, 1999, which discussion is incorporated in this release by reference.

(TABLES TO FOLLOW)