

SECURITIES AND EXCHANGE COMMISSION

FORM 10-K/A

Annual report pursuant to section 13 and 15(d) [amend]

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ZENITH ELECTRONICS CORP

CIK: [109265](#) | IRS No.: [361996520](#) | State of Incorporation: **DE** | Fiscal Year End: **1231**
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SIC: **3651** Household audio & video equipment

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

FORM 10-K/A - 1

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

For the Fiscal Year Ended December 31, 1993

Commission File Number 1-4115

Zenith Electronics Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

36-1996520
(I.R.S. Employer
Identification Number)

1000 Milwaukee Avenue, Glenview, Illinois
(Address of principal executive offices)

60025
(Zip code)

Registrant's telephone number, including area code (708)391-7000

The full purpose of this Amendment No.1 to the 1993 Form 10-k is to add to ITEM 14 (a) (3) the exhibit shown in this amendment as (101a) and to reflect this addition on the INDEX TO FINANCIAL STATEMENT SCHEDULES AND EXHIBITS. The new exhibit is attached to this Amendment No.1 as Exhibit (101a).

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

- (a) 1. The following Consolidated Financial Statements of Zenith Electronics Corporation, the Report of Independent Public Accountants, and the Unaudited Quarterly Financial Data are included in this report on pages 30 through 42:

Statements of Consolidated Operations and Retained Earnings -
Years ended December 31, 1993, 1992 and 1991

Consolidated Balance Sheets - December 31, 1993 and 1992

Statements of Consolidated Cash Flows -
Years ended December 31, 1993, 1992 and 1991

Notes to Consolidated Financial Statements

Report of Independent Public Accountants

Unaudited Quarterly Financial Data

- (a) 2. The following consolidated financial statement schedules for Zenith Electronics Corporation are included in this report on pages 25 through 29:

Schedule V - Property, Plant and Equipment

Schedule VI - Accumulated Depreciation, Depletion
and Amortization of Property,
Plant and Equipment

Schedule VIII - Valuation and Qualifying Accounts

Schedule IX - Short-term Borrowings

Schedule X - Supplementary Income Statement Information

The Report of Independent Public Accountants on Financial Statement Schedules is included in this report on page 24.

All other schedules for which provision is made in Regulation S-X of the Securities and Exchange Commission, are not required under the related instructions or are inapplicable and, therefore, have been omitted.

3. Exhibits:

- (3a) Restated Certificate of Incorporation of the company, as amended (incorporated by reference to Exhibit 3a of the company's Report on Form 10-K for the year ended December 31, 1992)
- (3b) Certificate of Amendment to Restated Certificate of Incorporation of the company dated May 4, 1993 (incorporated by reference to Exhibit 41 of the company's Quarterly Report on Form 10-Q for the quarter ended April 3, 1993)
- (3c) By-Laws of the company, as amended (incorporated by reference to Exhibit 3 of the company's Current Report on Form 8-K, dated January 31, 1994)
- (4a) Indenture, dated as of January 15, 1985, for 12-1/8% Notes due 1995 with the Irving Trust Company (incorporated by reference to Exhibit 2 of the company's Report on Form 10-K for the year ended December 31, 1989)

- (4b) Indenture, dated as of April 1, 1986, for 6-1/4% Convertible Subordinated Debentures due 2011 with The First National Bank of Boston, Trustee (incorporated by reference to Exhibit 1 of the company's Quarterly Report on Form 10-Q for the quarter ended March 30, 1991)
- (4c) Stockholder Rights Agreement dated as of October 3, 1986 (incorporated by reference to Exhibit 4c of the company's Quarterly Report on Form 10-Q for the quarter ended September 28, 1991)
- (4d) Amendment, dated April 26, 1988, to Stockholder Rights Agreement (incorporated by reference to Exhibit 4d of the company's Quarterly Report on Form 10-Q for the quarter ended April 3, 1993)
- (4e) Amended and Restated Summary of Rights to Purchase Common Stock (incorporated by reference to Exhibit 4e of the company's Quarterly Report on Form 10-Q for the quarter ended July 3, 1993)
- (4f) Amendment, dated July 7, 1988, to Stockholder Rights Agreement (incorporated by reference to Exhibit 4f of the company's Quarterly Report on Form 10-Q for the quarter ended July 3, 1993)
- (4g) Agreement, dated May 23, 1991, among Zenith Electronics Corporation, The First National Bank of Boston and Harris Trust and Savings Bank (incorporated by reference to Exhibit 1 of Form 8, dated May 30, 1991)
- (4h) Amendment, dated May 24, 1991, to Stockholder Rights Agreement (incorporated by reference to Exhibit 2 of Form 8 dated May 30, 1991)
- (4i) Agreement, dated as of February 1, 1993, among Zenith Electronics Corporation, Harris Trust and Savings Bank and The Bank of New York (incorporated by reference to Exhibit 1 of Form 8 dated March 25, 1993)
- (4j) Credit Agreement, dated as of May 21, 1993, with General Electric Capital Corporation, as agent and lender, and the other lenders named therein (incorporated by reference to Exhibit 4 of the company's Current Report on Form 8-K dated May 21, 1993)
- (4k) Amendment No. 1 dated November 8, 1993 to the Credit Agreement dated May 21, 1993, with General Electric Capital Corporation, as agent and lender, and the other lenders named therein (incorporated by reference to Exhibit 4(b) of the company's Current Report on Form 8-K, dated November 19, 1993)
- (4l) Amendment No. 3 dated January 7, 1994 to the Credit Agreement dated May 21, 1993, with General Electric Capital Corporation, as agent and lender, The Bank of New York Commercial Corporation, as lender, and Congress Financial Corporation, as lender (incorporated by

reference to Exhibit 4(b) of the company's Current Report on Form 8-K dated January 11, 1994)

- (4m) Fourth Amendment dated January 28, 1994 to the Credit Agreement dated May 21, 1993, with General Electric Capital Corporation, as agent and lender, The Bank of New York Commercial Corporation, as lender, and Congress Financial Corporation, as lender (incorporated by reference to Exhibit 4 of the company's Current Report on Form 8-K dated January 31, 1994)
- (4n) Debenture Purchase Agreement dated as of November 19, 1993 with the institutional investors named therein (incorporated by reference to Exhibit 4(a) of the company's Current Report on Form 8-K dated November 19, 1993)
- (4o) Amendment No. 1 dated November 24, 1993 to the Debenture Purchase Agreement dated as of November 19, 1993 with the institutional investor named therein (incorporated by reference to Exhibit 4(a) of the company's Current Report on Form 8-K dated November 24, 1993)
- (4p) Amendment No. 2 dated January 11, 1994 to the Debenture Purchase Agreement dated as of November 19, 1993 (incorporated by reference to Exhibit 4(c) of the company's Current Report on Form 8-K dated January 11, 1994)
- (4q) Debenture Purchase Agreement dated as of January 11, 1994 with the institutional investor named therein (incorporated by reference to Exhibit 4(a) of the company's Current Report on Form 8-K dated January 11, 1994)
- * (10a) 1987 Zenith Stock Incentive Plan (as amended subject to shareholder approval on April 28, 1992) (incorporated by reference to Exhibit A of the company's definitive Proxy Statement dated March 13, 1992)
- * (10b) Form of Amended and Restated Employment Agreement with Jerry K. Pearlman, Gerald M. McCarthy, Albin F. Moschner, Kell B. Benson and John Borst, Jr. (incorporated by reference to Exhibit 2 of the company's Report on Form 10-K for the year ended December 31, 1990)
- * (10c) Restricted Stock Agreement, dated December 3, 1986, of Jerry K. Pearlman (incorporated by reference to Exhibit 10c of the company's Report on Form 10-K for the year ended December 31, 1991)
- * (10d) Amendment, dated May 27, 1987, to Restricted Stock Agreement of Jerry K. Pearlman (incorporated by reference to Exhibit 10d of the company's Report on Form 10-K for the year ended December 31, 1992)
- * (10e) Amendment, dated March 28, 1988, to Restricted Stock Agreement of Jerry K. Pearlman

- * (10f) Amendments, dated October 1, 1990, and January 23, 1991, to Restricted Stock Agreement of Jerry K. Pearlman (incorporated by reference to Exhibit 3 of the company's Report on Form 10-K for the year ended December 31, 1990)
- * (10g) Restricted Stock Agreement, dated March 31, 1987, with Gerald M. McCarthy, and Amendments thereto dated December 2, 1987, March 28, 1988, August 22, 1988, and January 23, 1991 (incorporated by reference to Exhibit 10b of the company's Quarterly Report on Form 10-Q for the quarter ended June 29, 1991)
- * (10h) Forms of Amendments, dated as of July 24, 1991, to Restricted Stock Agreement dated December 3, 1986, with Jerry K. Pearlman and to Restricted Stock Agreement dated March 31, 1987, with Gerald M. McCarthy (incorporated by reference to Exhibit 10c of the company's Quarterly Report on Form 10-Q for the Quarter ended June 29, 1991)
- * (10i) Supplemental Agreement, dated September 12, 1986, with Jerry K. Pearlman (incorporated by reference to Exhibit 10m of the company's Report on Form 10-K for the year ended December 31, 1991)
- * (10j) Amendment to Supplemental Agreement with Jerry K. Pearlman (incorporated by reference to Exhibit 10j of the company's Report on Form 10-K for the year ended December 31, 1992)
- * (10k) Form of Amendment, dated as of May 19, 1989, to Supplemental Agreement with Jerry K. Pearlman, (incorporated by reference to Exhibit 6 of the company's Report on Form 10-K for the year ended December 31, 1989)
- * (10l) Form of Amendment, dated as of July 24, 1991, to Supplemental Agreement with Jerry K. Pearlman (incorporated by reference to Exhibit 10a of the company's Quarterly Report on Form 10-Q for the Quarter ended June 29, 1991)
- * (10la) Amendment to Addendum to Supplemental Letter Agreement, dated as of December 8, 1993, with Jerry K. Pearlman
- * (10m) Form of Supplemental Agreement with Gerald M. McCarthy, Albin F. Moschner, Kell B. Benson and John Borst, Jr. (incorporated by reference to Exhibit 10q of the company's Report on Form 10-K for the year ended December 31, 1991)
- * (10n) Form of Stock Indemnification Rights Grant with Jerry K. Pearlman and Kell B. Benson
- * (10o) Form of Amendment to Stock Indemnification Rights Grant with Jerry K. Pearlman and Kell B. Benson (incorporated by reference to Exhibit 7 of the company's Report on Form 10-K for the year ended December 31, 1989)

- * (10p) Letter Agreement, dated October 21, 1991, with Albin F. Moschner (incorporated by reference to Exhibit 10u of the company's Report on Form 10-K for the year ended December 31, 1991)
- * (10q) Form of Indemnification Agreement with Officers and Directors (incorporated by reference to Exhibit 8 of the company's Report on Form 10-K for the year ended December 31, 1989)
- * (10r) Form of Directors Stock Units Compensation Agreement with Harry G. Beckner (2,000 units) and with G. Ralph Guthrie (1,000 units) (incorporated by reference to Exhibit 10r of the company's Report on Form 10-K for the year ended December 31, 1992)
- * (10s) Form of Directors 1989 Stock Units Compensation Agreement with Harry G. Beckner, T. Kimball Brooker and G. Ralph Guthrie (1000 units each) (incorporated by reference to Exhibit 9 of the company's Report on Form 10-K for the year ended December 31, 1989)
- * (10t) Form of Directors 1990 Stock Units Compensation Agreement with Harry G. Beckner, G. Ralph Guthrie, T. Kimball Brooker, David H. Cohen, Charles Marshall, Andrew McNally IV and Peter S. Willmott (1000 units each) (incorporated by reference to Exhibit 6 of the company's Report on Form 10-K for the year ended December 31, 1990)
- * (10u) Form of Directors 1991 Stock Units Compensation Agreement with Harry G. Beckner, T. Kimball Brooker, David H. Cohen, G. Ralph Guthrie, Charles Marshall, Andrew McNally IV and Peter S. Willmott (1,000 units each) (incorporated by reference to Exhibit 10d of the company's Quarterly Report on Form 10-Q for the Quarter ended June 29, 1991)
- * (10v) Form of Amendment, dated as of July 24, 1991, to Directors Stock Units Compensation Agreements for 1987, 1988, 1990 and 1991 (incorporated by reference to Exhibit 10e of the company's Quarterly Report on Form 10-Q for the Quarter ended June 29, 1991)
- * (10w) Directors Retirement Plan and form of Agreement (incorporated by reference to Exhibit 10 of the company's Report on Form 10-K for the year ended December 31, 1989)
- * (10x) Form of Amendment, dated as of July 24, 1991, to Directors Retirement Plan and form of Agreement (incorporated by reference to Exhibit 10f of the company's quarterly Report on Form 10-Q for the Quarter ended June 29, 1991)
- (10y) Investment Agreement, dated as of February 25, 1991, with GoldStar Co., Ltd. (incorporated by reference to Exhibit 1 of the company's Current Report on Form 8-K, dated February 25, 1991)
- (10z) Registration Rights Agreement, dated as of February 25, 1991, with

GoldStar Co., Ltd. (incorporated by reference to Exhibit 2 of the company's Current Report on Form 8-K, dated February 25, 1991)

(10aa) Investment Agreement dated as of March 25, 1993 between Zenith Electronics Corporation and Fletcher Capital Markets, Inc. (incorporated by reference to Exhibit 1 of the company's Current Report on Form 8-K dated March 26, 1993)

(10bb) Investment Agreement dated as of July 29, 1993 between Zenith Electronics Corporation and Fletcher Capital Markets, Inc. (incorporated reference to Exhibit 5(a) of the company's Current Report on Form 8-K dated July 29, 1993)

(21) Subsidiaries of the company

(23) Consent of Independent Public Accountants

* Represents a management contract, compensation plan or arrangement.

(b) Reports on Form 8-K

The following reports on Form 8-K were filed during the quarter ended December 31, 1993.

A report on Form 8-K dated October 21, 1993 was filed by the company stating under Item 5 that Zenith had issued a press release which reported third quarter 1993 financial results.

A report on Form 8-K dated November 19, 1993 was filed by the company stating under Item 5 that Zenith had sold to certain institutional investors \$42 million principal amount of its 8.5% Senior Subordinated Convertible Debentures due November 19, 2000, pursuant to a Debenture Purchase Agreement dated November 19, 1993, entered into by the company and the purchasers.

A report on Form 8-K dated November 24, 1993 was filed by the company stating under Item 5 that Zenith had agreed to sell to certain institutional investors an additional \$13 million principal amount of its 8.5% Senior Subordinated Convertible Debentures due November 19, 2000, pursuant to a Debenture Purchase Agreement dated November 19, 1993 entered into by the company and amended on November 24, 1993 to add the additional purchasers.

A report on Form 8-K dated December 14, 1993 was filed by the company stating under Item 5 that Zenith had issued a press release announcing that it has called for redemption of its outstanding 12 1/8% Notes due on January 13, 1994.

A report on Form 8-K dated December 15, 1993 was filed by the company stating under Item 5 that Zenith had issued a press release announcing that it is planning to restructure its computer monitor and magnetics areas and re-engineer its core consumer electronics and cable business which will result

in a fourth quarter special charge of up to \$30 million.

(c) and (d) Exhibits and Financial Statement Schedules

Certain exhibits and financial statement schedules required by this portion of Item 14 are filed as a separate section of this report.

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.

ZENITH ELECTRONICS CORPORATION
(Registrant)

Date: March 18, 1994

By: /s/ Kell B. Benson

Kell B. Benson
Vice President-Finance
and Chief Financial Officer
(Principal Financial Officer)

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AMENDMENT TO ADDENDUM TO
SUPPLEMENTAL LETTER AGREEMENT

This document dated as of December 8, 1993, is an amendment to the Addendum to the Supplemental Letter Agreement dated September 12, 1986, as amended February 26, 1988, May 19, 1989 and July 24, 1991, between ZENITH ELECTRONICS CORPORATION (the "Company") and Jerry K. Pearlman (the "Employee").

I. Section 2 of said Addendum to Supplemental Letter Agreement is amended to read as follows:

"2. Severance Pay Formula.

Severance Pay payable to you under the Agreement shall be an amount equal to your Monthly Compensation multiplied by thirty-six (36)."

ZENITH ELECTRONICS CORPORATION

By /s/ Michael J. Kaplan

By /s/ Jerry K. Pearlman

Employee

Date: March 11, 1994
