

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1994-05-17** | Period of Report: **1994-04-02**
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FILER

GENLYTE GROUP INC

CIK: **833076** | IRS No.: **222584333** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **000-16960** | Film No.: **94529048**
SIC: **3640** Electric lighting & wiring equipment

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended April 2, 1994

Commission File Number 0-16960

THE GENLYTE GROUP INCORPORATED
100 Lighting Way
Secaucus, N. J. 07096
(201) 864-3000

INCORPORATED IN DELAWARE I.R.S. EMPLOYER
IDENTIFICATION NO. 22-2584333

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
--- ---

THE NUMBER OF SHARES OUTSTANDING OF THE ISSUER'S COMMON STOCK AS OF APRIL 21, 1994 WAS 12,833,674.

THE GENLYTE GROUP INCORPORATED
FORM 10-Q
FOR THE QUARTER ENDED APRIL 2, 1994

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PART 1 FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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THE GENLYTE GROUP INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED APRIL 2, 1994 AND
APRIL 3, 1993
(000'S OMITTED, EXCEPT PER SHARE DATA)
(Unaudited)

	1994	1993
<S>	<C>	<C>
Net Sales		
Cost of Sales	\$ 100,271	\$ 106,556
	69,401	75,818
Gross Profit	30,870	30,738
Selling, General and Administrative Expenses	25,741	26,430
Operating Profit	5,129	4,308
Corporate Expenses	1,210	1,113
Interest Expense, net	1,630	2,082
Income Before Income Taxes	2,289	1,113
Provision for Income Taxes	1,025	495
Net Income	\$ 1,264	\$ 618
Earnings per Share	\$.10	\$.05

</TABLE>

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

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THE GENLYTE GROUP INCORPORATED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF APRIL 2, 1994 AND DECEMBER 31, 1993
(000'S OMITTED)

	(unaudited) 4/2/94	12/31/93
<S>	<C>	<C>
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 2,225	\$ 3,319
Accounts receivable, less allowances for doubtful accounts of \$3,723 and \$3,765, respectively	60,615	58,991
Inventories:		
Raw materials and supplies	32,329	29,570
Work in progress	10,062	11,519
Finished goods	44,312	42,754

Total Inventories	86,703	83,843
Other current assets	10,735	9,860
Total current assets	160,278	156,013
Property, plant and equipment, at cost	218,418	217,433
Less: accumulated depreciation and amortization on plant and equipment	146,951	143,800
Net property, plant and equipment	71,467	73,633
Cost in excess of net assets of purchased businesses	12,298	12,336
Other assets	2,582	2,554
TOTAL ASSETS	\$ 246,625	\$ 244,536
LIABILITIES & STOCKHOLDERS' INVESTMENT:		
Current Liabilities:		
Current maturities of long-term debt	\$ 18,721	\$ 7,060
Accounts payable	31,813	31,893
Accrued expenses	29,095	31,247
Total current liabilities	79,629	70,200
Long-term debt	85,282	93,359
Deferred income taxes	7,482	7,508
Other liabilities	12,920	12,627
Total liabilities	\$ 185,313	\$ 183,694
Stockholders' Investment:		
Common stock	128	128
Paid-in capital	9,881	9,881
Foreign currency translation adjustment	(2,264)	(1,470)
Retained earnings	53,567	52,303
Total stockholders' investment	61,312	60,842
TOTAL LIABILITIES AND STOCKHOLDERS' INVESTMENT	\$ 246,625	\$ 244,536

</TABLE>

The accompanying notes are an integral part of these consolidated balance sheets.

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THE GENLYTE GROUP INCORPORATED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED APRIL 2, 1994 AND APRIL 3, 1993
(000'S OMITTED) (Unaudited)

<TABLE>

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	1994	1993
CASH FLOWS FROM OPERATING ACTIVITIES:		
<S>	<C>	<C>
Net Income	\$ 1,264	\$ 618
Adjustments to reconcile net income to net cash flows provided (used) by operating activities:		
Depreciation and amortization	4,079	4,450
(Increase) decrease in:		
Accounts receivable	(1,624)	(4,941)
Inventories	(2,860)	(4,239)
Other current assets	(875)	(369)
Other assets	(123)	(171)
Increase (decrease) in:		
Accounts payable and accrued expenses	(2,232)	(229)
Other liabilities	293	157
Deferred income Taxes	(26)	(11)
All other, net	1	20

Net cash flows provided (used) by operating activities	(2,103)	(4,715)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Purchase of treasury stock	-	(3)
Options exercised	-	97
Increase/(decrease) in debt to outsiders	3,584	5,946
Net cash flows provided (used) in financing activities	3,584	6,040
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of plant and equipment	(2,223)	(2,819)
Disposal of plant and equipment	-	-
Net cash flows provided (used) in investing activities	(2,223)	(2,819)
EFFECT OF EXCHANGE RATE CHANGES		
Net increase in cash and cash equivalents	(1,094)	(1,530)
Cash and cash equivalents at beginning of year	3,319	2,810
Cash and cash equivalents at end of quarter	\$ 2,225	\$ 1,280
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION - CASH PAID DURING THE THREE MONTH PERIOD FOR:		
Interest	\$ 1,540	\$ 1,985
Income taxes	\$ 1,196	\$ 685

</TABLE>

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

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THE GENLYTE GROUP INCORPORATED AND SUBSIDIARIES
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS OF APRIL 2, 1994
(Unaudited)

1. Accounting Policies

The consolidated financial statements included in this report were prepared in conformity with the accounting standards set forth in Accounting Principles Board Opinion No. 28, "Interim Financial Reporting", as amended, and the rules and regulations of the Securities and Exchange Commission related to interim reporting. During the periods shown, there were no changes in accounting principles or practices from those applied in prior periods.

2. Consolidated Statement of Stockholders' Investment (\$ in 000's):

<TABLE>
<CAPTION>

	Common Stock	Additional Paid-in Capital	Foreign Currency Translation Adjustment	Retained Earnings
<S>	<C>	<C>	<C>	<C>
Balance, December 31, 1993	\$ 128	\$ 9,881	\$ (1,470)	\$52,303

Net Income	-	-	-	1,264
Options Exercised	-	-	-	-
Treasury Stock purchased	-	-	-	-
Translation Adjustments	-	-	(794)	-
Balance, April 2, 1994	\$ 128	\$ 9,881	\$ (2,264)	\$53,567

</TABLE>

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MANAGEMENT'S DISCUSSION AND ANALYSIS

COMPARISON OF FIRST QUARTER 1994 TO FIRST QUARTER 1993

Net sales for the first quarter of 1994 were down \$6.3 million, or 5.9%, from the same quarter of 1993 due primarily to the DFT move from Cleveland, Ohio to Elgin, Illinois. DFT's sales dropped \$3.4 million as a result of transition inefficiencies relating to training new staff and the installation and debugging of a new automated inventory/sales system. The system is expected to be in full operation in the second quarter of 1994. Sales for Lightolier were down \$.9 million due primarily to planned pruning of low volume option variants in lower margin fluorescent products in accordance with the Company's overall business plan. In addition, the Canadian exchange rate decline of approximately 7 points compared to the same quarter of 1993 resulted in a \$.7 million decrease as compared to the prior year, in U.S. dollars.

Gross profit increased to \$30.9 million, or 30.8% of sales, as compared to \$30.7 million, or 28.9% of sales in the first quarter of 1993. The improvement in gross margin as a percentage of sales reflects the effective pruning of lower margin fluorescent products in accordance with the Company's overall business plan. Overhead costs were lower in conjunction with the continuing cost reduction and facility actions started in 1993. Also, shifts in product mix and favorable material variances had a positive impact on gross margin in the first quarter of 1994.

Selling, General, and Administrative expenses for the first quarter of 1994 were \$25.7 million, or 25.7% of sales, as compared to \$26.4 million, or 24.8% of sales, in the same quarter of 1993. The \$.7 million decrease in Selling, General and Administrative expenses was partially offset by duplicate expenses incurred by DFT during the move to Elgin.

Interest expense in the first quarter of 1994 was down \$.5 million as compared to 1993 due to lower average borrowings.

As a result of the above factors, net income and earnings per share improved by \$.7 million and \$.05, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Working capital was \$80.7 million as of April 2, 1994, down \$5.2 million from year-end 1993, due primarily to an \$11.7 million reclass of long-term debt to current maturities. This reclass was partially offset by an increase in accounts receivable and inventory.

Funds generated from operations plus amounts available under the existing loan agreement and short-term credit lines are expected to be sufficient to fulfill anticipated requirements.

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PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Genlyte Group Incorporated has been named as one of a number of corporate and individual defendants in several actions commenced in August 1993 in the U.S. District Court in New York. The actions are on behalf of a purported class of alleged creditors of Keene Corporation ("Keene"), seeking from the defendants damages of an unspecified amount, rescission of certain asset sale and stock transactions and other relief. With respect to Genlyte, the complaint principally maintains that certain lighting assets of Keene were sold to Genlyte in 1984 at less than fair value, while both Keene and Genlyte were wholly-owned subsidiaries of Bairnco Corporation ("Bairnco"). The suits also allege that Genlyte, as well as the other corporate defendants, were successors to and alter egos of Keene. These cases are presently stayed by order of the United States Bankruptcy Court due to the December 1993 filing by Keene of a petition for reorganization pursuant to Chapter 11 of the Bankruptcy Code.

The Genlyte purchase in 1984 was the subject of a "fairness" opinion rendered by an internationally recognized investment banking firm as to the consideration paid by Genlyte. In 1988, Genlyte became a publicly owned company when Bairnco distributed all of its Genlyte stock to Bairnco shareholders. Since 1988, Genlyte has functioned as an independent public company.

Genlyte will vigorously defend against these actions.

ITEM 2. CHANGES IN SECURITIES

Not Applicable.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable.

ITEM 5. OTHER INFORMATION

Not Applicable.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibit 11 Calculation of Primary and Fully Diluted Earnings Per Share

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SIGNATURE

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

THE GENLYTE GROUP INCORPORATED

(Registrant)

Date: 5/16/94

/s/ Pat A. LaRosa

Pat A. LaRosa, Vice President &
Controller

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Exhibit 11

THE GENLYTE GROUP INCORPORATED
 CALCULATION OF PRIMARY AND FULLY DILUTED EARNINGS PER SHARE
 FOR THE THREE MONTHS ENDED APRIL 2, 1994 AND APRIL 3, 1993
 (000'S OMITTED, EXCEPT PER SHARE DATA)
 (Unaudited)

<TABLE>
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	1994	1993
PRIMARY EARNINGS PER SHARE:		
<S>	<C>	<C>
Net Income	\$ 1,264	\$ 618
Average Common Shares Outstanding	12,732	12,731
Common Shares Issuable in Respect to Common Stock Equivalents, with a Dilutive Effect	0	146
Total Common and Common Equivalent Shares	12,732	12,877
Primary Earnings per Share	\$.10	\$.05
FULLY DILUTED EARNINGS PER SHARE:		
Net Income Applicable to Common Stock and Common Stock Equivalents	\$ 1,264	\$ 618
Total Common and Common Equivalent Shares	12,732	12,877
Additional Common Shares Assuming Full Dilution	0	39
Total Common Shares Assuming Full Dilution	12,732	12,916
Fully Diluted Earnings per Share	\$.10	\$.05

</TABLE>