

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

CPI CORP

CIK: **25354** | IRS No.: **431256674** | State of Incorporation: **DE** | Fiscal Year End: **0203**
Type: **8-K** | Act: **34** | File No.: **001-10204** | Film No.: **94523011**
SIC: **7200** Personal services

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3142311575

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) April 6, 1994

CPI CORP.

(exact name of registrant as specified in its charter)

Delaware

0-11227

43-1256674

(State or other jurisdiction of incorporation)	(Commission file Number)	(IRS Employer Identification No.)
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1706 Washington Avenue, St. Louis, Missouri

63103-1790

(Address of principal executive offices)

(Zip code)

Registrants's telephone number, including area code (314) 231-1575

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ITEM 5. OTHER EVENTS

On April 6, 1994, CPI Corp. issued the following Press Release:

CPI CORP. CONFIRMS FY 1993 PROJECTIONS OF LOWER EARNINGS,
RECORD SALES

- RECONFIRMS EXPECTATION OF HIGHER FY 1994 EARNINGS

St. Louis, MO, April 6, 1994 - CPI Corp. (NYSE - CPY) today confirmed earlier projections that fiscal 1993 sales reached record levels, but that earnings declined as expected. For the 52 weeks ended February 5, 1994, net sales were \$475.5 million, 5.8% above the \$449.4 million for the 53 weeks ended February 6, 1993. Earnings from continuing operations were \$11.1 million versus \$22.6 million, while net earnings, including a \$2.1 million credit from an accounting change, were \$13.2 million. Earnings per share, before the \$0.14 credit from the accounting change, were \$0.76 versus \$1.54. Net earnings per share, including the credit, were \$0.90. Weighted average shares outstanding were virtually unchanged at 14,666,000.

Commenting on the outlook for the new fiscal year, Alyn V. Essman, chairman and chief executive officer said, "As indicated in a March 17 letter to shareholders, we believe 1994 will be a better earnings year than 1993, with earnings per share anticipated to be in a range of \$0.85 to \$1.05. We expect a reduction in Portrait Studio earnings for the first two quarters, followed by a turnaround in the second half as we begin to realize the benefits of marketing programs emanating from new technology. We also anticipate somewhat better results for the year in the Photofinishing segment and Other Products and Services. We should repeat, however, that shareholders should be aware that these projections are subject to the uncertainties of estimating in a year of rapid change, are dependent on a second half earnings increase, and cannot be confirmed until we experience the peak sales period in November and December."

CPI Corp. is a consumer services company operating over 1,800 retail locations, including 995 Sears Portrait Studios in the U.S., Puerto Rico and Canada, 672 CPI/Fox Photo/Proex photofinishing locations, 103 Prints Plus wall decor locations, and 45 high-tech copy stores.

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CPI CORP. CONDENSED STATEMENTS OF EARNINGS (UNAUDITED)

<CAPTION>

	12 vs. 13 Weeks Ended	
	2/5/94	2/6/93
	-----	-----
	(In Thousands Except Per Share Amounts)	
<S>	<C>	<C>
Net Sales:		
Portrait studios	\$ 81,440	\$ 88,263
Photo finishing	45,987	45,734
Other products and services	18,597	3,642
	-----	-----
Total net sales	\$ 146,024	\$ 137,639
	=====	=====
Operating earnings:		
Portrait studios	\$ 13,797	\$ 21,248
Photo finishing	1,734	2,806
Other products and services	3,051	(1,482)
	-----	-----
	18,582	22,572
General corporate expense	4,739	5,757
	-----	-----
Income from operations	13,843	16,815
Net interest income (expense)	(226)	187
Other income	101	154
	-----	-----
Earnings before income taxes	13,718	17,156
Income tax expense	5,483	6,548
	-----	-----
Earnings before cumulative effect of accounting change	8,235	10,608
Cumulative effect of accounting change	-	-
	-----	-----
Net earnings	\$ 8,235	\$ 10,608
	=====	=====
Earnings per common share:		
Earnings before cumulative effect of accounting change	\$ 0.56	\$ 0.72

Cumulative effect of accounting change	-	-
Net earnings	\$ 0.56	\$ 0.72
Weighted average number of common and common equivalent shares outstanding	14,645	14,658

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CPI CORP. CONDENSED STATEMENTS OF EARNINGS (UNAUDITED)

<CAPTION>

	52 vs. 53 Weeks Ended	
	2/5/94	2/6/93
	(In Thousands Except Per Share Amounts)	
<S>	<C>	<C>
Net Sales:		
Portrait studios	\$ 237,937	\$ 264,358
Photo finishing	187,210	169,196
Other products and services	50,373	15,826
Total net sales	\$ 475,520	\$ 449,380
Operating earnings:		
Portrait studios	\$ 29,970	\$ 48,441
Photo finishing	6,972	9,609
Other products and services	1,142	(4,133)
General corporate expense	38,084	53,917
Income from operations	18,785	34,835
Net interest income (expense)	(789)	1,014
Other income	524	674
Earnings before income taxes	18,520	36,523
Income tax expense	7,404	13,908
Earnings before cumulative effect of accounting change	11,116	22,615
Cumulative effect of accounting change	2,120	-
Net earnings	\$ 13,236	\$ 22,615

Earnings per common share:		
Earnings before cumulative effect of accounting change	\$ 0.76	\$ 1.54
Cumulative effect of accounting change	0.14	-
Net earnings	\$ 0.90	\$ 1.54
Weighted average number of common and common equivalent shares outstanding	14,666	14,676

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CPI CORP. CONDENSED BALANCE SHEETS FEBRUARY 5, 1994 AND FEBRUARY 6, 1993 (UNAUDITED)

<CAPTION>

	FEBRUARY 5, 1994	FEBRUARY 6, 1993
	(In Thousands)	
	<C>	<C>
Assets		
Current assets:		
Cash and short-term investments	\$ 66,356	\$ 20,978
Other current assets	61,415	52,177
Net property and equipment	114,329	97,573
Other assets	63,696	67,023
Total assets	\$ 305,796	\$ 237,751

Liabilities and stockholders' equity

Current liabilities	\$ 65,187	\$ 56,827
Long-term obligations	59,811	342
Other liabilities	5,290	8,636
Stockholder's equity	175,508	171,946

Total liabilities and
stockholders' equity

\$ 305,796
=====

\$ 237,751
=====

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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.

CPI CORP.
(Registrant)

/s/ Barry Arthur
Executive Vice President -
Finance
Principal Financial Officer

Dated: April 15, 1994

