# UNITED STATES
# 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): January 11, 2024 **(January 10, 2024)**

# WOLVERINE WORLD WIDE, INC.
(Exact name of registrant as specified in its charter)

| **Delaware** | **001-06024** | **38-1185150** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| **9341 Courtland Drive N.E., Rockford, Michigan** | **49351** |
|---|---|
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: **(616) 866-5500**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading symbol | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $1 Par Value | WWW | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 1.01 Entry into a Material Definitive Agreement.**

Effective as of January 10, 2024, Wolverine World Wide, Inc. (the "Company"), the Company's wholly-owned subsidiary, Saucony, Inc. ("Saucony"), and Saucony's wholly-owned subsidiaries, Sperry Top-Sider, LLC and SR Holdings, LLC (such Saucony subsidiaries, the "Acquired Companies"), entered into a Purchase Agreement with ABG Intermediate Holdings 2 LLC ("ABG"), an affiliate of Authentic Brands Group LLC, (the "IP Purchase Agreement"). Also effective as of January 10, 2024, the Company and the Company's wholly-owned subsidiaries Hush Puppies Retail, LLC, Stride Rite Children's Group, LLC, Wolverine Distribution, Inc., Wolverine World Wide Canada, ULC and SR/ECOM, LLC (the Company and such subsidiaries, collectively, the "Inventory Sellers") entered into a Purchase Agreement with ALDO U.S. Inc. ("Aldo"), an affiliate of the Aldo Group (the "Inventory Purchase Agreement" and together with the IP Purchase Agreement, the "Purchase Agreements").

Pursuant to the IP Purchase Agreement, on January 10, 2024, all of the outstanding equity of the Acquired Companies was sold to ABG for $70 million. The Acquired Companies own or hold for use intellectual property used by the Company exclusively in the footwear, apparel and accessories business conducted by the Company under the Sperry brand (the "Sperry Business"). The Company and its affiliates on the one hand, and ABG and its affiliates on the other hand, each granted the other a fully paid-up, royalty-free, irrevocable, perpetual, sublicensable, assignable, worldwide, non-exclusive license to certain intellectual property used with respect to both the Sperry brand and other Company brands. These licenses permit the use of the shared intellectual property by ABG in connection with the Sperry brand and by the Company in connection with the Company's current and future brands.

Pursuant to the Inventory Purchase Agreement, on January 10, 2024, the Inventory Sellers sold certain inventory and other assets of the Sperry Business, and assigned certain contracts of the Sperry Business, including Sperry retail store leases, to Aldo for approximately $27 million, subject to a customary post-closing price adjustment. In addition, the Company will receive an additional $5 million on May 10, 2024 if agreed upon criteria regarding the performance of the Sperry Business are satisfied. Sperry products that are not sold under the Inventory Purchase Agreement may be sold by the Company in accordance with the terms of the Inventory Purchase Agreement.

The parties to both Purchase Agreements made certain customary representations and warranties to each other and agreed to certain customary covenants, including with respect to the indemnification by each party of the other for losses, such as those arising from the breach of the indemnifying party's representations, warranties and covenants under the applicable agreement, subject to the limitations set forth therein.

The foregoing description of the terms of the Purchase Agreements is not complete and is qualified in its entirety by reference to the complete text of the Purchase Agreements, copies of which will be filed as exhibits to the Company's Annual Report on Form 10-K for the year ended December 30, 2023.

**Item 2.02 Results of Operations and Financial Condition.**

On January 11, 2024, the Company issued a press release regarding the sale of the Sperry Business. This release announces results for the Sperry Business for fiscal year 2023 and each 2023 fiscal quarter. The press release is furnished and attached as Exhibit 99.1 hereto and is hereby incorporated into this Item 2.02 by reference.

The information furnished shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits:

| | |
|---|---|
| 99.1 | Press Release dated January 11, 2024 |
| 104 | The cover page from this Current Report on Form 8-K, formatted in Inline XBRL (included as Exhibit 101). |

## 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 hereunto duly authorized.

| | |
|---|---|
| Dated: January 11, 2024 | WOLVERINE WORLD WIDE, INC.<br>(Registrant) |
| | /s/ Michael D. Stornant |
| | Michael D. Stornant<br>Executive Vice President, Chief Financial Officer and Treasurer |

WOLVERINE worldwide

9341 Courtland Drive, Rockford, MI 49351
Phone (616) 866-5500

**FOR IMMEDIATE RELEASE**
**CONTACT: Dave Latchana, (616) 334-7099**

# WOLVERINE WORLDWIDE SELLS SPERRY

***Company continues transformation by further strengthening balance sheet***

**ROCKFORD, Mich., Jan. 11, 2024 —** Wolverine World Wide, Inc. (NYSE: WWW) announced today that it has sold the Sperry brand to Authentic Brands Group, Inc., and the ALDO Group. The transaction closed on January 10, 2024, and will generate total proceeds of approximately $130 million in the first quarter to pay down debt, further strengthening the Company's balance sheet.

"The sale of the Sperry brand is the next step in our turnaround and strategic transformation," said Chris Hufnagel, Wolverine Worldwide's President and Chief Executive Officer. "We conducted a rigorous process that considered a comprehensive set of strategic alternatives for the brand, and we believe this is the best outcome for the Company and our vision for the future."

Today's announcement builds on the Company's previously-announced asset monetization transactions that collectively generated nearly $250 million in cash in 2023.

"In a very short time, we have meaningfully reshaped Wolverine Worldwide – simplifying the portfolio, reducing our debt, and redesigning the organization to drive improved performance and profitability," Hufnagel added. "These efforts have enhanced the Company's capacity to invest in our brands and platforms, and I am excited about the next chapter in our turnaround – focused squarely on building consumer-obsessed global brands and delivering greater value for our shareholders."

Centerview Partners, LLC, served as financial advisors to Wolverine Worldwide, and Honigman LLP and Warner, Norcross + Judd LLP served as legal advisors.

## ABOUT WOLVERINE WORLDWIDE

Founded in 1883, Wolverine World Wide, Inc. (NYSE:WWW) is one of the world's leading marketers and licensors of branded casual, active lifestyle, work, outdoor sport, athletic, children's and uniform footwear and apparel. Through a diverse portfolio of highly recognized brands, our products are designed to empower, engage and inspire our consumers every step of the way. The Company's portfolio includes Merrell®, Saucony®, Sweaty Betty®, Hush Puppies®, Wolverine®, Chaco®, Bates®, HYTEST®, and Stride Rite®. Wolverine Worldwide is also the global footwear licensee of the popular brands Cat® and Harley-Davidson®. Based in Rockford, Michigan, for more than 140 years, the Company's products are carried by leading retailers in the U.S. and globally in approximately 170 countries and territories. For additional information, please visit our website, www.wolverineworldwide.com.

## FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, including statements regarding the Company's expectations with respect to: use of Sperry transaction proceeds to pay down debt, the ability to focus on its growth brands, the ability to drive improved performance and profitability, the capacity to invest in sustainable growth, and the delivery of greater shareholder value. In addition, words such as "estimates," "anticipates," "believes," "forecasts," "step," "plans," "predicts," "focused," "projects," "outlook," "is likely," "expects," "intends," "should," "will," "confident," variations of such words, and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions (“Risk Factors”) that are difficult to predict with regard to timing, extent, likelihood, and degree of occurrence. Risk Factors include, among others: the risk that the Company will be able to successfully implement its growth and profit improvement strategies; changes in general economic conditions, employment rates, business conditions, interest rates, tax policies, inflationary pressures and other factors affecting consumer spending in the markets and regions in which the Company’s products are sold; the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets; the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences; the inability to effectively manage inventory levels; increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export; foreign currency exchange rate fluctuations; currency restrictions; supply chain or other capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing; the cost and availability of raw materials, inventories, services and labor for contract manufacturers; the effects of the COVID-19 pandemic and other health crises and containment efforts on the Company’s business, operations, financial results and liquidity, including the duration and magnitude of such effects; labor disruptions; changes in relationships with, including the loss of, significant wholesale customers; risks related to the significant investment in, and performance of, the Company’s consumer-direct operations; risks related to expansion into new markets and complementary product categories; the impact of seasonality and unpredictable weather conditions; effects of changes in general economic conditions and/or the credit markets on the Company’s manufacturers, distributors, suppliers and retailers; changes in the Company’s effective tax rates; failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company; the risks of doing business in developing countries, and politically or economically volatile areas; the ability to secure and protect owned intellectual property or use licensed intellectual property; the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health; the potential breach of the Company’s databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar events; problems affecting the Company’s supply chain or distribution system, including service interruptions at shipping and receiving ports; strategic actions, including new initiatives and ventures, acquisitions and dispositions, including the sale of the Sperry brand, and the Company’s success in integrating acquired businesses, and implementing new initiatives and ventures; risks related to stockholder activism, the risk of impairment to goodwill and other intangibles; changes in future pension funding requirements and pension expenses; and additional factors discussed in the Company’s reports filed with the Securities and Exchange Commission and exhibits thereto. The foregoing Risk Factors, as well as other existing Risk Factors and new Risk Factors that emerge from time to time, may cause actual results to differ materially from those contained in any forward-looking statements. Given these or other risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Furthermore, the Company undertakes no obligation to update, amend, or clarify forward-looking statements.

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**SPERRY DIVESTITURE**

**FINANCIAL SUMMARY**

**(Unaudited)**

**(In millions)**

In order to provide visibility regarding the financial impact of the Sperry® business divestiture, the Company has provided additional information within the supplemental table below. The items included in the table represent amounts related to the Sperry® business that are reflected in the Company's reported Q1, Q2 and Q3 2023 results and that will be reflected in the Company's reported Q4 2023 and full year fiscal 2023 results.

| | Q1 | Q2 | Q3 | Q4 | 2023 Full-Year |
|---|---|---|---|---|---|
| Sperry business | | | | | |
| Revenue | $62.9 | $57.4 | $46.2 | $40.7 | $207.2 |
| Operating profit | $(2.3) | $0.2 | $(4.0) | $(4.2) | $(10.3) |
| Operating profit adjusted (1) | $2.5 | $4.6 | $(0.5) | $(1.1) | $5.5 |
| Depreciation and amortization (2) | $1.2 | $1.2 | $1.1 | $1.1 | $4.6 |

(1) Operating profit adjusted represents operating profit of the Sperry® business before cost allocations for Company resources shared by all Company brands, resources which were not sold as part of the Sperry® divestiture and the costs for which the Company will continue to bear.

(2) Depreciation and amortization expense included in the determination of operating profit of the Sperry® business.

The Company believes operating profit before internal cost allocations for shared resources provides useful information to both management and investors because it provides insights into the Sperry brand contribution to the Company's consolidated results of operations, which contributions will not reoccur following the divestiture of the Sperry brand. Management does not, nor should investors, consider this financial measure in isolation from, or as a substitute for financial information prepared in accordance with GAAP.

The Q4 and 2023 full-year expected results described in this table are preliminary estimates based on information available to management as of the date of this press release and are subject to change upon completion of the Company's standard year-end closing procedures. As the Company completes its year-end financial close process and finalizes its financial statements, it will be required to make significant judgments, which may result in changes to these preliminary and unaudited estimates. Any changes to the expected results described in this table may be material.