UNITED STATES
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 quarterly period ended September 26, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 001-06024

WOLVERINE WORLD WIDE, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**38-1185150**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
9341 Courtland Drive N.E., Rockford, Michigan	**49351**
(Address of principal executive offices)	(Zip Code)

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

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 (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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 82,071,781 shares of common stock, $1 par value, outstanding as of October 26, 2020.

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FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements," which are statements relating to future, not past, events. Such forward-looking statements include, for example, statements about the future impact of the COVID-19 pandemic on the Company. In this context, forward-looking statements often address management's current beliefs, assumptions, expectations, estimates and projections about future business and financial performance, national, regional or global political, economic and market conditions, and the Company itself. Such statements often contain words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "is likely," "plans," "predicts," "projects," "should," "will," variations of such words, and similar expressions. Forward-looking statements, by their nature, address matters that are, to varying degrees, uncertain. Uncertainties that could cause the Company's performance to differ materially from what is expressed in forward-looking statements include, but are not limited to, the following:

- the effects of the COVID-19 pandemic on the Company's business, operations, financial results and liquidity, including the duration and magnitude of such effects, which will depend on numerous evolving factors that the Company cannot currently fully predict or assess, including: the duration and scope of the pandemic; the negative impact on global and regional markets, economies and economic activity, including the duration and magnitude of its impact on unemployment rates, consumer discretionary spending and levels of consumer confidence; actions that governments, businesses and individuals may take in response to the pandemic; and the effects of the pandemic, including all of the foregoing, on the Company's manufacturers, distributors, suppliers, joint venture partners, wholesale customers, and other counterparties. The timing and scope of recovery after the pandemic is also uncertain;
- changes in general economic conditions, employment rates, business conditions, interest rates, tax policies 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;
- 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;
- 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 as well as consumer-direct operations;
- the impact of seasonality and unpredictable weather conditions;
- the impact of changes in general economic conditions and/or the credit markets on the Company's manufacturers, distributors, suppliers, joint venture partners, and wholesale customers;
- 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;
- risks of 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 event;
- problems affecting the Company's distribution system, including service interruptions at shipping and receiving ports;

- strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company’s success in integrating acquired businesses, and implementing new initiatives and ventures;
- the risk of impairment to goodwill and other intangibles;
- the success of the Company’s restructuring and realignment initiatives undertaken from time to time; and
- changes in future pension funding requirements and pension expenses.

These or other uncertainties could cause a material difference between an actual outcome and a forward-looking statement. The uncertainties included here are not exhaustive and are described in more detail in Part I, Item 1A: “Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 28, 2019 (the “2019 Form 10-K”) and in Part II, Item 1A: “Risk Factors” in the Company’s Quarterly Reports on Form 10-Q filed since the 2019 Form 10-K, including this Quarterly Report on Form 10-Q. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The Company does not undertake an obligation to update, amend or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Operations and Comprehensive Income
(Unaudited)

(In millions, except per share data)	Quarter Ended September 26, 2020	Quarter Ended September 28, 2019	Year-To-Date Ended September 26, 2020	Year-To-Date Ended September 28, 2019
Revenue	**$ 493.1**	$ 574.3	**$ 1,281.5**	$ 1,666.3
Cost of goods sold	**291.1**	331.0	**750.5**	972.4
Gross profit	**202.0**	243.3	**531.0**	693.9
Selling, general and administrative expenses	**157.5**	165.9	**457.2**	498.6
Environmental and other related costs, net of recoveries	**1.9**	9.1	**6.8**	19.1
Operating profit	**42.6**	68.3	**67.0**	176.2
Other expenses:				
Interest expense, net	**12.8**	8.2	**31.1**	21.8
Debt extinguishment and other costs	**—**	—	**0.2**	—
Other income, net	**(0.6)**	(0.9)	**(2.9)**	(3.2)
Total other expenses	**12.2**	7.3	**28.4**	18.6
Earnings before income taxes	**30.4**	61.0	**38.6**	157.6
Income tax expense	**8.7**	12.4	**6.0**	28.2
Net earnings	**$ 21.7**	$ 48.6	**$ 32.6**	$ 129.4
Less: net earnings (loss) attributable to noncontrolling interests	**(0.7)**	(0.1)	**(1.2)**	—
Net earnings attributable to Wolverine World Wide, Inc.	**$ 22.4**	$ 48.7	**$ 33.8**	$ 129.4
Net earnings per share (see Note 3):				
Basic	**$ 0.27**	$ 0.57	**$ 0.41**	$ 1.46
Diluted	**$ 0.27**	$ 0.57	**$ 0.41**	$ 1.44
Comprehensive income	**$ 25.2**	$ 45.6	**$ 25.6**	$ 128.8
Less: comprehensive loss attributable to noncontrolling interests	**(0.5)**	(0.5)	**(2.1)**	(0.3)
Comprehensive income attributable to Wolverine World Wide, Inc.	**$ 25.7**	$ 46.1	**$ 27.7**	$ 129.1
Cash dividends declared per share	**$ 0.10**	$ 0.10	**$ 0.30**	$ 0.30

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)

(In millions, except share data)	September 26, 2020	December 28, 2019	September 28, 2019
ASSETS			
Current assets:			
Cash and cash equivalents	**$ 342.0**	$ 180.6	$ 125.2
Accounts receivable, less allowances of $33.4, $26.7 and $24.0	**332.1**	331.2	357.3
Inventories:			
Finished products, net	**318.1**	342.0	410.0
Raw materials and work-in-process, net	**7.6**	6.2	7.7
Total inventories	**325.7**	348.2	417.7
Prepaid expenses and other current assets	**42.2**	107.1	48.4
Total current assets	**1,042.0**	967.1	948.6
Property, plant and equipment:			
Gross cost	**326.6**	325.0	399.1
Accumulated depreciation	**(200.3)**	(184.0)	(256.1)
Property, plant and equipment, net	**126.3**	141.0	143.0
Lease right-of-use assets, net	**148.3**	160.8	163.9
Other assets:			
Goodwill	**437.8**	438.9	437.0
Indefinite-lived intangibles	**604.5**	604.5	604.5
Amortizable intangibles, net	**74.0**	77.8	79.6
Deferred income taxes	**1.8**	2.9	3.2
Other	**66.4**	87.0	88.7
Total other assets	**1,184.5**	1,211.1	1,213.0
Total assets	**$ 2,501.1**	$ 2,480.0	$ 2,468.5

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets – continued
(Unaudited)

(In millions, except share data)	September 26, 2020	December 28, 2019	September 28, 2019
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	**$ 191.8**	$ 202.1	$ 155.6
Accrued salaries and wages	**22.4**	20.8	25.5
Other accrued liabilities	**148.7**	157.9	116.0
Lease liabilities	**34.6**	34.1	33.5
Current maturities of long-term debt	**162.5**	12.5	10.0
Borrowings under revolving credit agreements	**—**	360.0	493.3
Total current liabilities	**560.0**	787.4	833.9
Long-term debt, less current maturities	**714.1**	425.9	430.7
Accrued pension liabilities	**109.2**	109.7	92.3
Deferred income taxes	**85.0**	99.0	112.0
Lease liabilities, noncurrent	**135.0**	147.2	151.0
Other liabilities	**132.3**	132.4	54.7
Stockholders' equity:			
Wolverine World Wide, Inc. stockholders' equity:			
Common stock – par value $1, authorized 320,000,000 shares; 110,117,417, 108,329,250 and 108,058,005 shares issued	**110.1**	108.3	108.1
Additional paid-in capital	**239.8**	233.4	221.3
Retained earnings	**1,272.4**	1,263.3	1,273.2
Accumulated other comprehensive loss	**(108.2)**	(102.1)	(88.6)
Cost of shares in treasury; 28,148,131, 27,181,512 and 26,992,711 shares	**(760.0)**	(736.2)	(731.1)
Total Wolverine World Wide, Inc. stockholders' equity	**754.1**	766.7	782.9
Noncontrolling interest	**11.4**	11.7	11.0
Total stockholders' equity	**765.5**	778.4	793.9
Total liabilities and stockholders' equity	**$ 2,501.1**	$ 2,480.0	$ 2,468.5

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Cash Flows
(Unaudited)

	Year-To-Date Ended	
(In millions)	**September 26, 2020**	September 28, 2019
OPERATING ACTIVITIES		
Net earnings	**$ 32.6**	$ 129.4
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	**23.8**	23.3
Deferred income taxes	**(12.8)**	0.3
Stock-based compensation expense	**21.5**	17.3
Pension and SERP expense	**6.4**	4.2
Debt extinguishment costs	**0.2**	—
Environmental and other related costs, net of cash payments and recoveries received	**25.2**	(3.7)
Other	**(0.6)**	(9.5)
Changes in operating assets and liabilities:		
Accounts receivable	**(1.7)**	0.3
Inventories	**21.6**	(94.8)
Other operating assets	**9.9**	(1.2)
Accounts payable	**(9.2)**	(46.9)
Income taxes payable	**15.1**	9.3
Other operating liabilities	**3.5**	(12.0)
Net cash provided by operating activities	**135.5**	16.0
INVESTING ACTIVITIES		
Business acquisition, net of cash acquired	**(5.5)**	(15.1)
Additions to property, plant and equipment	**(6.0)**	(28.7)
Proceeds from sale of assets	**0.1**	0.1
Investment in joint ventures	**(3.5)**	(8.5)
Proceeds from company-owned life insurance policy liquidations	**25.6**	—
Other	**(1.1)**	(1.2)
Net cash provided by (used in) investing activities	**9.6**	(53.4)
FINANCING ACTIVITIES		
Payments under revolving credit agreements	**(898.0)**	(249.0)
Borrowings under revolving credit agreements	**538.0**	617.3
Borrowings of long-term debt	**471.0**	—
Payments on long-term debt	**(28.5)**	(5.0)
Payments of debt issuance costs	**(6.4)**	(0.3)
Cash dividends paid	**(25.4)**	(25.4)
Purchases of common stock for treasury	**(21.0)**	(314.2)
Employee taxes paid under stock-based compensation plans	**(20.1)**	(16.7)
Proceeds from the exercise of stock options	**4.0**	7.0
Contributions from noncontrolling interests	**1.8**	5.7
Net cash provided by financing activities	**15.4**	19.4
Effect of foreign exchange rate changes	**0.9**	0.1
Increase (decrease) in cash and cash equivalents	**161.4**	(17.9)
Cash and cash equivalents at beginning of the year	**180.6**	143.1
Cash and cash equivalents at end of the quarter	**$ 342.0**	$ 125.2

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Stockholders' Equity
(Unaudited)

	Wolverine World Wide, Inc. Stockholders' Equity						
(In millions, except share and per share data)	**Common Stock**	**Additional Paid-In Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Treasury Stock**	**Non-controlling Interest**	**Total**
Balance at June 29, 2019	$ 108.0	$ 213.2	$ 1,232.8	$ (86.0)	$ (624.3)	$ 11.5	$ 855.2
Net earnings (loss)			48.7			(0.1)	48.6
Other comprehensive loss				(2.6)		(0.4)	(3.0)
Shares forfeited, net of shares issued under stock incentive plans (1,917 shares)	0.1	(0.2)					(0.1)
Shares issued for stock options exercised, net (62,114 shares)	—	1.2					1.2
Stock-based compensation expense		7.1					7.1
Cash dividends declared ($0.10 per share)			(8.3)				(8.3)
Issuance of treasury shares (1,831 shares)		—			0.1		0.1
Purchase of common stock for treasury (4,250,070 shares)					(106.8)		(106.8)
Purchases of shares under stock-based compensation plans (3,440 shares)					(0.1)		(0.1)
Balance at September 28, 2019	$ 108.1	$ 221.3	$ 1,273.2	$ (88.6)	$ (731.1)	$ 11.0	$ 793.9
Balance at June 27, 2020	$ 110.0	$ 227.1	$ 1,258.3	$ (111.5)	$ (759.9)	$ 11.9	$ 735.9
Net earnings (loss)			**22.4**			**(0.7)**	**21.7**
Other comprehensive income				**3.3**		**0.2**	**3.5**
Shares issued, net of shares forfeited under stock incentive plans (11,519 shares)	**—**	**(0.2)**					**(0.2)**
Shares issued for stock options exercised, net (99,381 shares)	**0.1**	**1.6**					**1.7**
Stock-based compensation expense		**11.3**					**11.3**
Cash dividends declared ($0.10 per share)			**(8.3)**				**(8.3)**
Issuance of treasury shares (1,462 shares)		**—**			**—**		**—**
Purchases of shares under stock-based compensation plans (3,056 shares)					**(0.1)**		**(0.1)**
Balance at September 26, 2020	**$ 110.1**	**$ 239.8**	**$ 1,272.4**	**$ (108.2)**	**$ (760.0)**	**$ 11.4**	**$ 765.5**

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Stockholders' Equity
(Unaudited)

(In millions, except share and per share data)	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Non-controlling Interest	Total
	Wolverine World Wide, Inc. Stockholders' Equity						
Balance at December 29, 2018	$ 107.6	$ 201.4	$ 1,169.7	$ (88.3)	$ (404.4)	$ 5.6	$ 991.6
Net earnings			129.4			—	129.4
Other comprehensive loss				(0.3)		(0.3)	(0.6)
Shares issues, net of shares forfeited under stock incentive plans (36,588 shares)	0.1	(4.1)					(4.0)
Shares issued for stock options exercised, net (412,211 shares)	0.4	6.6					7.0
Stock-based compensation expense		17.3					17.3
Cash dividends declared ($0.30 per share)			(25.9)				(25.9)
Issuance of treasury shares (5,831 shares)		0.1			0.2		0.3
Purchase of common stock for treasury (10,730,962 shares)					(314.2)		(314.2)
Purchases of shares under stock-based compensation plans (361,899 shares)					(12.7)		(12.7)
Capital contribution from noncontrolling interest						5.7	5.7
Balance at September 28, 2019	$ 108.1	$ 221.3	$ 1,273.2	$ (88.6)	$ (731.1)	$ 11.0	$ 793.9
Balance at December 28, 2019	$ 108.3	$ 233.4	$ 1,263.3	$ (102.1)	$ (736.2)	$ 11.7	$ 778.4
Net earnings (loss)			**33.8**			**(1.2)**	**32.6**
Other comprehensive loss				**(6.1)**		**(0.9)**	**(7.0)**
Shares issued, net of shares forfeited under stock incentive plans (1,497,072 shares)	**1.5**	**(18.7)**					**(17.2)**
Shares issued for stock options exercised, net (291,095 shares)	**0.3**	**3.6**					**3.9**
Stock-based compensation expense		**21.5**					**21.5**
Cash dividends declared ($0.30 per share)			**(24.7)**				**(24.7)**
Issuance of treasury shares (4,230 shares)					**0.1**		**0.1**
Purchase of common stock for treasury (877,624 shares)					**(21.0)**		**(21.0)**
Purchases of shares under stock-based compensation plans (93,225 shares)					**(2.9)**		**(2.9)**
Capital contribution from noncontrolling interest						**1.8**	**1.8**
Balance at September 26, 2020	**$ 110.1**	**$ 239.8**	**$ 1,272.4**	**$ (108.2)**	**$ (760.0)**	**$ 11.4**	**$ 765.5**

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements
Quarters Ended September 26, 2020 and September 28, 2019
(Unaudited)

1. BASIS OF PRESENTATION

Nature of Operations

Wolverine World Wide, Inc. (the "Company") is a leading designer, marketer and licensor of a broad range of quality casual footwear and apparel; performance outdoor and athletic footwear and apparel; kids' footwear; industrial work shoes, boots and apparel; and uniform shoes and boots. The Company's portfolio of owned and licensed brands includes: *Bates*®, *Cat*®, *Chaco*®, *Harley-Davidson*®, *Hush Puppies*®, *Hytest*®, *Keds*®, *Merrell*®, *Saucony*®, *Sperry*®, *Stride Rite*® and *Wolverine*®. The Company's products are marketed worldwide through owned operations, through licensing and distribution arrangements with third parties, and joint ventures. The Company also operates retail stores and eCommerce sites to market both its own brands and branded footwear and apparel from other manufacturers, as well as a leathers division that markets *Wolverine Performance Leathers*™.

Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions to the Quarterly Report on Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for a complete presentation of the financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included in the accompanying financial statements. For further information, refer to the consolidated financial statements and footnotes included in the Company's 2019 Form 10-K.

The COVID-19 pandemic, the duration and severity of which is subject to uncertainty, has had and continues to have, a significant impact on the Company's business. Management's estimates and assumptions used in the preparation of the Company's consolidated financial statements in accordance with U.S. GAAP contemplated both current and expected potential future impacts of COVID-19 on the Company's business based on available information. Actual results may differ materially from management's estimates.

Fiscal Year

The Company's fiscal year is the 52 or 53-week period that ends on the Saturday nearest to December 31. Fiscal year 2020 has 53 weeks and fiscal year 2019 contained 52 weeks. The Company reports its quarterly results of operations on the basis of 13-week quarters for each of the first three fiscal quarters and a 13 or 14-week period for the fiscal fourth quarter. References to particular years or quarters refer to the Company's fiscal years ended on the Saturday nearest to December 31 or the fiscal quarters within those years.

Seasonality

Prior to the COVID-19 pandemic, the Company's business was subject to seasonal influences that could cause significant differences in revenue, earnings and cash flows from quarter to quarter. The COVID-19 pandemic has resulted in changes in consumer behavior and preferences in fiscal 2020 that have negatively impacted our fiscal 2020 results. The Company expects the seasonal cadence that the Company has experienced historically may continue to be affected as a result of these changes in consumer behavior and preferences.

2. NEW ACCOUNTING STANDARDS

The Financial Accounting Standards Board ("FASB") issued the following Accounting Standards Updates ("ASU") that the Company adopted during fiscal year 2020. The following is a summary of the effect of adoption of this new standard.

Standard	Description	Effect on the Financial Statements or Other Significant Matters
ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments	Seeks to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date by replacing the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to determine credit loss estimates.	The Company adopted ASU 2016-13 at the beginning of the first quarter on a prospective basis. The Company adjusted its business policies and processes relating to the measurement of allowances for credit losses to consider reasonable and supportable information to determine expected credit losses on accounts receivable. The adoption of the ASU did not have a material effect on the consolidated financial statements.
ASU 2017-04, Intangibles Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment	Eliminates step two of the goodwill impairment test under legacy US GAAP. Annual and interim goodwill impairment tests are performed by comparing the fair value of a reporting unit with its carrying amount and the amount by which the carrying amount exceeds the reporting unit's fair value will be recognized as an impairment charge.	The Company adopted the ASU at the beginning of the first quarter on a prospective basis. The adoption of the ASU did not have a significant impact on the Company's financial statements and all prospective impairment tests will be completed under this standard.

3. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB Accounting Standards Codification ("ASC") Topic 260, *Earnings Per Share* ("ASC 260"). ASC 260 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting, and, therefore, need to be included in the earnings allocation in computing earnings per share under the two-class method. Under the guidance in ASC 260, the Company's unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid, are participating securities and must be included in the computation of earnings per share pursuant to the two-class method.

The following table sets forth the computation of basic and diluted earnings per share.

	Quarter Ended		Year-To-Date Ended	
(In millions, except per share data)	**September 26, 2020**	September 28, 2019	**September 26, 2020**	September 28, 2019
Numerator:				
Net earnings attributable to Wolverine World Wide, Inc.	**$ 22.4**	$ 48.7	**$ 33.8**	$ 129.4
Adjustment for earnings allocated to non-vested restricted common stock	**(0.6)**	(1.0)	**(0.8)**	(2.6)
Net earnings used in calculating basic earnings per share	**21.8**	47.7	**33.0**	126.8
Adjustment for earnings reallocated from non-vested restricted common stock	**—**	—	**—**	0.1
Net earnings used in calculating basic and diluted earnings per share	**$ 21.8**	$ 47.7	**$ 33.0**	$ 126.9
Denominator:				
Weighted average shares outstanding	**81.9**	83.5	**81.7**	87.3
Adjustment for non-vested restricted common stock	**(0.9)**	(0.5)	**(0.7)**	(0.7)
Shares used in calculating basic earnings per share	**81.0**	83.0	**81.0**	86.6
Effect of dilutive stock options	**0.5**	0.9	**0.5**	1.4
Shares used in calculating diluted earnings per share	**81.5**	83.9	**81.5**	88.0
Net earnings per share:				
Basic	**$ 0.27**	$ 0.57	**$ 0.41**	$ 1.46
Diluted	**$ 0.27**	$ 0.57	**$ 0.41**	$ 1.44

For the quarter and year-to-date ended September 26, 2020, 1,185,864 and 1,184,559 outstanding stock options, respectively, have not been included in the denominator for the computation of diluted earnings per share because they were anti-dilutive.

For the quarter and year-to-date ended September 28, 2019, 1,228,157 and 131,004 outstanding stock options, respectively, have not been included in the denominator for the computation of diluted earnings per share because they were anti-dilutive.

4. GOODWILL AND INDEFINITE-LIVED INTANGIBLES

The changes in the carrying amount of goodwill are as follows:

	Year-To-Date Ended	
(In millions)	**September 26, 2020**	September 28, 2019
Goodwill balance at beginning of the year	$ 438.9	$ 424.4
Acquisition of a business (see Note 17)	—	12.3
Foreign currency translation effects	**(1.1)**	0.3
Goodwill balance at end of the quarter	**$ 437.8**	$ 437.0

The Company’s indefinite-lived intangible assets, which comprise trade names and trademarks, totaled $604.5 million as of September 26, 2020, December 28, 2019 and September 28, 2019. The carrying value of the Company’s *Sperry*® trade name was $518.2 million as of September 26, 2020. Based on the interim impairment assessment as of September 26, 2020, it was determined there were no triggering events of impairment for goodwill and indefinite-lived intangible assets. If the operating results for *Sperry*® were to decline in future periods compared to current projections, or if further deterioration of macroeconomic conditions due to the COVID-19 pandemic adversely affect the value of the Company’s *Sperry*® trade name and goodwill balances, the Company may need to record a non-cash impairment charge. The Company continues to monitor the effects of the COVID-19 pandemic, and actions taken by governments, businesses and individuals in response to the pandemic, on the global economy to assess the outlook for demand for our products and the impact on our business and financial performance.

5. ACCOUNTS RECEIVABLE

The Company has an agreement with a financial institution to sell selected trade accounts receivable on a recurring, nonrecourse basis that expires in the fourth quarter of fiscal 2020, subject to renewal. Under the agreement, up to $75.0 million of accounts receivable may be sold to the financial institution and remain outstanding at any point in time. After the sale, the Company does not retain any interests in the accounts receivable and removes them from its consolidated condensed balance sheet, but continues to service and collect the outstanding accounts receivable on behalf of the financial institution. The Company recognizes a servicing asset or servicing liability, initially measured at fair value, each time it undertakes an obligation to service the accounts receivable under the agreement. For receivables sold under the agreement, 90% of the stated amount is paid in cash to the Company at the time of sale, with the remainder paid to the Company at the completion of the collection process.

The following is a summary of the stated amount of accounts receivable that was sold as well as fees charged by the financial institution.

	Quarter Ended	Year-To-Date Ended
(In millions)	**September 26, 2020**	
Accounts receivable sold	**$ —**	**$ 14.1**
Fees charged	**—**	**0.1**

The fees charged are recorded in other expense. Net proceeds of this program are classified in operating activities in the consolidated condensed statements of cash flows. There were no amounts outstanding under this program as of September 26, 2020 and September 28, 2019, respectively.

6. REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue Recognition and Performance Obligations

The Company recognizes revenue in accordance with FASB ASC Topic 606, *Revenue from Contracts with Customers*. Revenue is recognized upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration to be received in exchange for those goods or services. The Company identifies the performance obligation in the contract, determines the transaction price, allocates the transaction price to the performance obligations and recognizes revenue upon completion of the performance obligation. Revenue is recognized net of variable consideration and any taxes collected from customers, which are subsequently remitted to governmental authorities.

The Company has agreements to license symbolic intellectual property with minimum guarantees or fixed consideration. The Company is due $25.9 million of remaining fixed transaction price under its license agreements as of September 26, 2020, which it expects to recognize per the terms of its contracts over the course of time through December 2024. The Company has elected to omit the remaining variable consideration under its license agreements given the Company recognizes revenue equal to what it has the right to invoice and that amount corresponds directly with the value to the customer of the Company’s performance to date.

The Company provides disaggregated revenue by sales channel, including the wholesale and consumer-direct sales channels, reconciled to the Company's reportable segments. The wholesale channel includes royalty revenues due to the similarity in the Company's oversight and management, customer base, the performance obligation (footwear and apparel goods) and point in time completion of the performance obligation.

	Quarter Ended September 26, 2020			Quarter Ended September 28, 2019		
(In millions)	Wholesale	Consumer-Direct	Total	Wholesale	Consumer-Direct	Total
Wolverine Michigan Group	**$ 227.6**	**$ 59.7**	**$ 287.3**	$ 279.5	$ 39.3	$ 318.8
Wolverine Boston Group	**150.7**	**43.1**	**193.8**	203.5	37.8	241.3
Other	**10.6**	**1.4**	**12.0**	12.9	1.3	14.2
Total	**$ 388.9**	**$ 104.2**	**$ 493.1**	$ 495.9	$ 78.4	$ 574.3

	Year-To-Date Ended September 26, 2020			Year-To-Date Ended September 28, 2019		
(In millions)	Wholesale	Consumer-Direct	Total	Wholesale	Consumer-Direct	Total
Wolverine Michigan Group	**$ 590.9**	**$ 161.6**	**$ 752.5**	$ 829.1	$ 110.6	$ 939.7
Wolverine Boston Group	**374.3**	**124.1**	**498.4**	570.7	106.1	676.8
Other	**28.1**	**2.5**	**30.6**	46.3	3.5	49.8
Total	**$ 993.3**	**$ 288.2**	**$ 1,281.5**	$ 1,446.1	$ 220.2	$ 1,666.3

Reserves for Variable Consideration

Revenue is recorded at the net sales price ("transaction price"), which includes estimates of variable consideration for which reserves are established. Components of variable consideration include trade discounts and allowances, product returns, customer markdowns, customer rebates and other sales incentives relating to the sale of the Company's products. These reserves, as detailed below, are based on the amounts earned, or to be claimed on the related sales. These estimates take into consideration a range of possible outcomes, which are probability-weighted in accordance with the expected value method for relevant factors such as current contractual and statutory requirements, specific known market events and trends, industry data and forecasted customer buying and payment patterns. Overall, these reserves reflect the Company's best estimates of the amount of consideration to which it is entitled based on the terms of the respective underlying contracts. Revenue recognized during the fiscal periods presented related to the Company's contract liabilities was nominal.

The Company's contract balances are as follows:

(In millions)	**September 26, 2020**	December 28, 2019	September 28, 2019
Product returns reserve	**$ 9.3**	$ 11.4	$ 9.5
Customer markdowns reserve	**4.0**	4.4	3.6
Other sales incentives reserve	**4.3**	2.3	1.9
Customer rebates liability	**13.9**	12.0	10.8
Customer advances liability	**2.0**	7.2	5.4

The amount of variable consideration included in the transaction price may be constrained and is included in the net sales price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized under the contract will not occur in a future period. Actual amounts of consideration ultimately received may differ from initial estimates. If actual results in the future vary from initial estimates, the Company subsequently adjusts these estimates, which affects net revenue and earnings in the period such variances become known.

7. DEBT

Total debt consists of the following obligations:

(In millions)	September 26, 2020	December 28, 2019	September 28, 2019
Term Loan A, due December 6, 2023	**$ 185.0**	$ 192.5	$ 195.0
Incremental Term Loan, due May 4, 2021	**150.0**	—	—
Senior Notes, 5.000% interest, due September 1, 2026	**250.0**	250.0	250.0
Senior Notes, 6.375% interest, due May 15, 2025	**300.0**	—	—
Borrowings under revolving credit agreements	**—**	360.0	493.3
Unamortized deferred financing costs	**(8.4)**	(4.1)	(4.3)
Total debt	**$ 876.6**	$ 798.4	$ 934.0

On May 5, 2020, the Company entered into a Second Amendment (the "Amendment") which amended its senior credit facility that was most recently amended and restated as of December 6, 2018 (as so amended by the Amendment, the "Amended Senior Credit Facility"). In connection with the Amendment, the Company borrowed $171.0 million in aggregate principal amount of incremental term loan (the "Incremental Term Loan"). The Incremental Term Loan will mature on May 4, 2021 and bears interest at a rate equal either to (i) the applicable base rate plus 1.250% or (ii) LIBOR plus 2.250%. During the third quarter of 2020, the Company repaid $21.0 million in principal of the Incremental Term Loan.

The Amended Senior Credit Facility also included a $200.0 million term loan facility ("Term Loan A") and an $800.0 million Revolving Credit Facility, both with maturity dates of December 6, 2023, that remain unchanged as a result of the Amendment. The Amended Senior Credit Facility's debt capacity is limited to an aggregate debt amount (including outstanding term loan principal and revolver commitment amounts in addition to permitted incremental debt) not to exceed $1,750.0 million, unless certain specified conditions set forth in the Amended Senior Credit Facility are met. Term Loan A requires quarterly principal payments with a balloon payment due on December 6, 2023. The scheduled principal payments due under Term Loan A and the Incremental Term Loan over the next 12 months total $162.5 million as of September 26, 2020 and are recorded as current maturities of long-term debt on the consolidated condensed balance sheets.

The Revolving Credit Facility allows the Company to borrow up to an aggregate amount of $800.0 million, which includes a $200.0 million foreign currency subfacility under which borrowings may be made, subject to certain conditions, in Canadian dollars, British pounds, euros, Hong Kong dollars, Swedish kronor, Swiss francs and such additional currencies as are determined in accordance with the Amended Senior Credit Facility. The Revolving Credit Facility also includes a $50.0 million swingline subfacility and a $50.0 million letter of credit subfacility. The Company had outstanding letters of credit under the Revolving Credit Facility of $6.0 million, $5.7 million and $3.9 million as of September 26, 2020, December 28, 2019 and September 28, 2019, respectively. These outstanding letters of credit reduce the borrowing capacity under the Revolving Credit Facility.

The interest rates applicable to amounts outstanding under Term Loan A and to U.S. dollar denominated amounts outstanding under the Revolving Credit Facility will be, at the Company's option, either (1) the Alternate Base Rate plus an Applicable Margin as determined by the Company's Consolidated Leverage Ratio, within a range of 0.125% to 1.000%, or (2) the Eurocurrency Rate plus an Applicable Margin as determined by the Company's Consolidated Leverage Ratio, within a range of 1.125% to 2.000% (all capitalized terms used in this sentence are as defined in the Amended Senior Credit Facility). The Company has an interest rate swap arrangement that reduces the Company's exposure to fluctuations in interest rates on its variable rate debt. At September 26, 2020, Term Loan A and the Incremental Term Loan had a weighted-average interest rate of 3.78%.

The obligations of the Company pursuant to the Amended Senior Credit Facility are guaranteed by substantially all of the Company's material domestic subsidiaries and secured by substantially all of the personal and real property of the Company and its material domestic subsidiaries, subject to certain exceptions.

The Amended Senior Credit Facility also contains certain affirmative and negative covenants, including covenants that limit the ability of the Company and its Restricted Subsidiaries to, among other things: incur or guarantee indebtedness; incur liens; pay dividends or repurchase stock; enter into transactions with affiliates; consummate asset sales, acquisitions or mergers; prepay certain other indebtedness; or make investments, as well as covenants restricting the activities of certain foreign subsidiaries of the Company that hold intellectual property related assets. Further, the Amended Senior Credit Facility requires compliance with the following financial covenants: a maximum Consolidated Leverage Ratio and a minimum Consolidated Interest Coverage Ratio (all capitalized terms used in this paragraph are as defined in the Amended Senior Credit Facility). As of September 26, 2020, the Company was in compliance with all covenants and performance ratios under the Amended Senior Credit Facility.

On May 11, 2020 the Company issued $300.0 million aggregate principal amount of 6.375% Senior Notes due on May 15, 2025. Related interest payments are due semi-annually beginning on November 15, 2020. These senior notes are guaranteed by substantially all of the Company's domestic subsidiaries.

The Company has $250.0 million of senior notes outstanding that are due on September 1, 2026. These senior notes bear interest at 5.00% with the related interest payments due semi-annually and are guaranteed by substantially all of the Company's domestic subsidiaries.

The Company has a foreign revolving credit facility with aggregate available borrowings of $4.0 million that are uncommitted and, therefore, each borrowing against the facility is subject to approval by the lender. Borrowings against this facility were $0.0 million, $0.0 million and $0.3 million as of September 26, 2020, December 28, 2019 and September 28, 2019, respectively.

The Company included in interest expense the amortization of deferred financing costs of $0.9 million and $2.0 million for the quarter and year-to-date ended September 26, 2020, respectively. The Company included in interest expense the amortization of deferred financing costs of $0.4 million and $1.2 million for the quarter and year-to-date ended September 28, 2019, respectively.

8. LEASES

The Company's leases consist primarily of corporate offices, retail stores, distribution centers, showrooms, vehicles and office equipment. The Company leases assets in the normal course of business to meet its current and future needs while providing flexibility to its operations. The Company enters into contracts with third parties to lease specifically identified assets. Most of the Company's leases have contractually specified renewal periods. Most retail store leases have early termination clauses that the Company can elect if stipulated sales amounts are not achieved. The Company determines the lease term for each lease based on the terms of each contract and factors in renewal and early termination options if such options are reasonably certain to be exercised.

In response to the COVID-19 pandemic and the effect the pandemic had on the Company's leased properties, the Company has been actively seeking rent relief from its landlords. The Company considered the FASB staff guidance issued in April 2020 in relation to accounting for lease concessions made in connection with the effects of the COVID-19 pandemic and elected to apply the temporary practical expedient to account for rent deferrals and abatements as though the enforceable rights and obligations existed in each contract. Depending on the timing of the future payments, amounts deferred and payable in future periods have been included in "Other accrued liabilities" and "Other liabilities" on the Company's condensed consolidated balance sheets. The Company continued to recognize lease expense on a straight-line basis for its leases over the related lease terms.

The following is a summary of the Company's lease cost.

	Quarter Ended		Year-To-Date Ended	
(In millions)	**September 26, 2020**	September 28, 2019	**September 26, 2020**	September 28, 2019
Operating lease cost	**$ 7.9**	$ 8.1	**$ 24.2**	$ 24.3
Variable lease cost	**3.0**	3.6	**9.1**	10.9
Short-term lease cost	**0.3**	0.3	**0.8**	0.9
Sublease income	**(1.2)**	(1.0)	**(3.5)**	(2.9)
Total lease cost	**$ 10.0**	$ 11.0	**$ 30.6**	$ 33.2

Future undiscounted cash flows for operating leases for the fiscal periods subsequent to September 26, 2020 are as follows:

(In millions)	Operating Leases
Remainder of 2020	$ 10.6
2021	31.3
2022	28.4
2023	21.2
2024	18.3
Thereafter	107.8
Total future payments	217.6
Less: imputed interest	48.0
Recognized lease liability	$ 169.6

9. DERIVATIVE FINANCIAL INSTRUMENTS

The Company follows FASB ASC Topic 815, *Derivatives and Hedging* ("ASC 815"), which requires that all derivative instruments be recorded on the consolidated condensed balance sheets at fair value by establishing criteria for designation and effectiveness of hedging relationships. The Company does not hold or issue financial instruments for trading purposes.

The Company utilizes foreign currency forward exchange contracts designated as cash flow hedges to manage the volatility associated primarily with U.S. dollar inventory purchases made by non-U.S. wholesale operations in the normal course of business. These foreign currency forward exchange hedge contracts extended out to a maximum of 545 days as of September 26, 2020, December 28, 2019 and September 28, 2019. If, in the future, the foreign exchange contracts are determined not to be highly effective or are terminated before their contractual termination dates, the Company would remove the hedge designation from those contracts and reclassify into earnings the unrealized gains or losses that would otherwise be included in accumulated other comprehensive income (loss) within stockholders' equity. During fiscal 2020, the Company reclassified $1.3 million to other income for foreign currency contracts that were no longer deemed highly effective.

The Company also utilizes foreign currency contracts that are not designated as hedging instruments to manage foreign currency transaction exposure. Foreign currency derivatives not designated as hedging instruments are offset by foreign exchange gains or losses resulting from the underlying exposures of foreign currency denominated assets and liabilities.

The Company has an interest rate swap arrangement, which unless otherwise terminated, will mature on December 6, 2023. This agreement, which exchanges floating rate for fixed rate interest payments over the life of the agreement without the exchange of the underlying notional amounts, has been designated as a cash flow hedge of the interest payments associated with the underlying debt. The notional amounts of the interest rate swap arrangement is used to measure interest to be paid or received and does not represent the amount of exposure to credit loss. The differential paid or received on the interest rate swap arrangement is recognized as interest expense. In accordance with ASC 815, the Company has formally documented the relationship between the interest rate swap and the variable rate borrowing, as well as its risk management objective and strategy for undertaking the hedge transaction. This process included linking the derivative to the specific liability or asset on the balance sheet. The Company also assessed at the inception of the hedge, and continues to assess on an ongoing basis, whether the derivative used in the hedging transaction is highly effective in offsetting changes in the cash flows of the hedged item.

The Company has a cross currency swap to minimize the impact of exchange rate fluctuations. The hedging instrument, which, unless otherwise terminated, will mature on September 1, 2021, has been designated as a hedge of a net investment in a foreign operation. The Company pays 2.75% on the euro-denominated notional amount and receive 5.00% on the U.S. dollar notional amount, with an exchange of principal at maturity. Changes in fair value related to movements in the foreign currency exchange spot rate are recorded in accumulated other comprehensive income, offsetting the currency translation adjustment related to the underlying net investment that is also recorded in accumulated other comprehensive income. All other changes in fair value are recorded in interest expense. In accordance with ASC 815, the Company has formally documented the relationship between the cross-currency swap and the Company's investment in its euro-denominated subsidiary, as well as its risk management objective and strategy for undertaking the hedge transaction. This process included linking the derivative to its net investment on the balance sheet. The Company also assessed at the hedge's inception, and continues to assess on an ongoing basis, whether the derivative used in the hedging transaction is highly effective in offsetting changes in expected cash flows of the hedged item.

The notional amounts of the Company's derivative instruments are as follows:

(Dollars in millions)	September 26, 2020	December 28, 2019	September 28, 2019
Foreign exchange contracts:			
Hedge contracts	**$ 188.3**	$ 246.3	$ 237.7
Non-hedge contracts	**—**	7.3	—
Interest rate swap	**293.9**	355.8	366.2
Cross currency swap	**79.8**	79.8	79.8

The recorded fair values of the Company's derivative instruments are as follows:

(In millions)	September 26, 2020	December 28, 2019	September 28, 2019
Financial assets:			
Foreign exchange contracts - hedge	**$ 1.3**	$ 2.3	$ 6.3
Financial liabilities:			
Foreign exchange contracts - hedge	**$ (0.4)**	$ (1.8)	$ (0.2)
Interest rate swap	**(8.6)**	(1.8)	(3.0)
Cross currency swap	**(6.2)**	(3.0)	(2.1)

10. STOCK-BASED COMPENSATION

The Company recognized compensation expense of $11.3 million and $21.5 million, and related income tax benefits of $2.2 million and $4.2 million, for grants under its stock-based compensation plans for the quarter and year-to-date ended September 26, 2020, respectively. The Company recognized compensation expense of $7.1 million and $17.3 million, and related income tax benefits of $1.5 million and $3.5 million, for grants under its stock-based compensation plans for the quarter and year-to-date ended September 28, 2019, respectively.

The Company grants restricted stock or units ("restricted awards"), performance-based restricted stock or units ("performance awards") and stock options under its stock-based compensation plans.

During the year-to-date ended September 26, 2020, the Company issued 1,340,179 restricted awards at a weighted average grant date fair value of $22.29 per award. During the year-to-date ended September 28, 2019, the Company issued 547,169 restricted awards at a weighted average grant date fair value of $34.80 per award.

During the year-to-date ended September 26, 2020, the Company issued 346,584 performance awards at a weighted average grant date fair value of $35.02 per award. During the year-to-date ended September 28, 2019, the Company issued 344,433 performance awards at a weighted average grant date fair value of $37.33 per award.

11. RETIREMENT PLANS

The following is a summary of net pension and Supplemental Executive Retirement Plan ("SERP") expense recognized by the Company.

	Quarter Ended		Year-To-Date Ended	
(In millions)	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
Service cost pertaining to benefits earned during the period	**$ 1.6**	$ 1.3	**$ 4.8**	$ 4.1
Interest cost on projected benefit obligations	**3.6**	3.8	**10.7**	11.4
Expected return on pension assets	**(4.7)**	(4.4)	**(14.0)**	(13.3)
Net amortization loss	**1.6**	0.7	**4.9**	2.0
Net pension expense	**$ 2.1**	$ 1.4	**$ 6.4**	$ 4.2

The non-service cost components of net pension expense is recorded in the Other income, net line item on the consolidated condensed statements of operations and comprehensive income.

12. INCOME TAXES

The Company maintains management and operational activities in overseas subsidiaries, and its foreign earnings are taxed at rates that are different than the U.S. federal statutory income tax rate. A significant amount of the Company's earnings are generated by its Canadian, European and Asian subsidiaries and, to a lesser extent, in jurisdictions that are not subject to income tax.

The Company intends to permanently reinvest all non-cash undistributed earnings outside of the U.S. and has, therefore not established a deferred tax liability on that amount of foreign unremitted earnings. However, if these non-cash undistributed earnings were repatriated, the Company would be required to accrue and pay applicable U.S. taxes and withholding taxes payable to various countries. It is not practicable to estimate the amount of the deferred tax liability associated with these non-cash unremitted earnings due to the complexity of the hypothetical calculation.

The Company's effective tax rates for the quarter and year-to-date ended September 26, 2020 were 28.5% and 15.5%, respectively. The Company's effective tax rates for the quarter and year-to-date ended September 28, 2019 were 20.3% and 17.9%, respectively. The increase in the effective rate for the current quarterly period reflects a negative impact from current period discrete items, as well as a shift in income between tax jurisdictions with differing tax rates. The decrease in the current year-to-date effective tax rate is driven by the positive impact of discrete items partially offset by the negative impact of a shift in income between jurisdictions with differing tax rates.

The Company is subject to periodic audits by U.S. federal, state, local and non-U.S. tax authorities. Currently, the Company is undergoing routine periodic audits in both U.S. federal, state, local and non-U.S. tax jurisdictions. It is reasonably possible that the amounts of unrecognized tax benefits could change in the next 12 months as a result of the audits; however, any payment of tax is not expected to be significant to the consolidated condensed financial statements. The Company is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years before 2015 in the majority of tax jurisdictions.

13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Accumulated other comprehensive income (loss) represents net earnings and any revenue, expenses, gains and losses that, under U.S. GAAP, are excluded from net earnings and recognized directly as a component of stockholders' equity.

The change in accumulated other comprehensive income (loss) during the quarters ended September 26, 2020 and September 28, 2019 is as follows:

(In millions)	Foreign currency translation	Derivatives	Pension	Total
Balance at June 29, 2019	$ (48.0)	$ (2.8)	$ (35.2)	$ (86.0)
Other comprehensive income (loss) before reclassifications [1]	(5.6)	5.5	—	(0.1)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(4.2) [2]	0.7 [3]	(3.5)
Income tax expense (benefit)	—	1.1	(0.1)	1.0
Net reclassifications	—	(3.1)	0.6	(2.5)
Net current-period other comprehensive income (loss) [1]	(5.6)	2.4	0.6	(2.6)
Balance at September 28, 2019	$ (53.6)	$ (0.4)	$ (34.6)	$ (88.6)
Balance at June 27, 2020	$ (55.9)	$ (9.5)	$ (46.1)	$ (111.5)
Other comprehensive income (loss) before reclassifications [1]	**6.8**	**(5.5)**	**—**	**1.3**
Amounts reclassified from accumulated other comprehensive income (loss)	**—**	**0.5** [2]	**1.6** [3]	**2.1**
Income tax expense (benefit)	**—**	**0.2**	**(0.3)**	**(0.1)**
Net reclassifications	**—**	**0.7**	**1.3**	**2.0**
Net current-period other comprehensive income (loss) [1]	**6.8**	**(4.8)**	**1.3**	**3.3**
Balance at September 26, 2020	**$ (49.1)**	**$ (14.3)**	**$ (44.8)**	**$ (108.2)**

(1) Other comprehensive income (loss) is reported net of taxes and noncontrolling interest.

(2) Amounts related to foreign currency derivatives are included in cost of goods sold. Amounts related to foreign currency derivatives that are no longer deemed to be highly effective are included in other income. Amounts related to the interest rate swap and the cross-currency swap are included in interest expense.

(3) Amounts reclassified are included in the computation of net pension expense.

The change in accumulated other comprehensive income (loss) during the year-to-dates ended September 26, 2020 and September 28, 2019 is as follows:

(In millions)	Foreign currency translation	Derivatives	Pension	Total
Balance at December 29, 2018	$ (53.0)	$ 0.9	$ (36.2)	$ (88.3)
Other comprehensive income (loss) before reclassifications [1]	(0.6)	4.7	—	4.1
Amounts reclassified from accumulated other comprehensive income (loss)	—	(7.7) [2]	2.0 [3]	(5.7)
Income tax expense (benefit)	—	1.7	(0.4)	1.3
Net reclassifications	—	(6.0)	1.6	(4.4)
Net current-period other comprehensive income (loss) [1]	(0.6)	(1.3)	1.6	(0.3)
Balance at September 28, 2019	$ (53.6)	$ (0.4)	$ (34.6)	$ (88.6)
Balance at December 28, 2019	$ (47.6)	$ (5.8)	$ (48.7)	$ (102.1)
Other comprehensive income (loss) before reclassifications [1]	**(1.5)**	**(6.2)**	**—**	**(7.7)**
Amounts reclassified from accumulated other comprehensive income (loss)	**—**	**(3.1)** [2]	**4.9** [3]	**1.8**
Income tax expense (benefit)	**—**	**0.8**	**(1.0)**	**(0.2)**
Net reclassifications	**—**	**(2.3)**	**3.9**	**1.6**
Net current-period other comprehensive income (loss) [1]	**(1.5)**	**(8.5)**	**3.9**	**(6.1)**
Balance at September 26, 2020	**$ (49.1)**	**$ (14.3)**	**$ (44.8)**	**$ (108.2)**

(1) Other comprehensive income (loss) is reported net of taxes and noncontrolling interest.

(2) Amounts related to foreign currency derivatives are included in cost of goods sold. Amounts related to foreign currency derivatives that are no longer deemed to be highly effective are included in other income. Amounts related to the interest rate swap and the cross-currency swap are included in interest expense.

(3) Amounts reclassified are included in the computation of net pension expense.

14. FAIR VALUE MEASUREMENTS

The Company follows FASB ASC Topic 820, *Fair Value Measurements and Disclosures* (“ASC 820”), which provides a consistent definition of fair value, focuses on exit price, prioritizes the use of market-based inputs over entity-specific inputs for measuring fair value and establishes a three-tier hierarchy for fair value measurements. ASC 820 requires fair value measurements to be classified and disclosed in one of the following three categories:

Level 1: Fair value is measured using quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value is measured using either direct or indirect inputs, other than quoted prices included within Level 1, which are observable for similar assets or liabilities.

Level 3: Fair value is measured using valuation techniques in which one or more significant inputs are unobservable.

Recurring Fair Value Measurements

The following table sets forth financial assets and liabilities measured at fair value in the consolidated condensed balance sheets and the respective pricing levels to which the fair value measurements are classified within the fair value hierarchy.

	Fair Value Measurements		
	Quoted Prices With Other Observable Inputs (Level 2)		
(In millions)	**September 26, 2020**	December 28, 2019	September 28, 2019
Financial assets:			
Derivatives	**$ 1.3**	$ 2.3	$ 6.3
Financial liabilities:			
Derivatives	**$ (15.2)**	$ (6.6)	$ (5.3)

The fair value of foreign currency forward exchange contracts represents the estimated receipts or payments necessary to terminate the contracts. The interest rate swap is valued based on the current forward rates of the future cash flows. The fair value of the cross-currency swap is determined using the current forward rates and changes in the spot rate.

Fair Value Disclosures

The Company’s financial instruments that are not recorded at fair value consist of cash and cash equivalents, accounts and notes receivable, accounts payable, borrowings under revolving credit agreements and other short-term and long-term debt. The carrying amount of these financial instruments is historical cost, which approximates fair value, except for the debt. The carrying value and the fair value of the Company’s debt are as follows:

(In millions)	**September 26, 2020**	December 28, 2019	September 28, 2019
Carrying value	**$ 876.6**	$ 798.4	$ 934.0
Fair value	**921.1**	817.6	952.8

The fair value of the fixed rate debt was based on third-party quotes (Level 2). The fair value of the variable rate debt was calculated by discounting the future cash flows to its present value using a discount rate based on the risk-free rate of the same maturity (Level 3).

15. LITIGATION AND CONTINGENCIES

Litigation

The Company operated a leather tannery in Rockford, Michigan from the early 1900s through 2009 (the “Tannery”). The Company also owns a parcel on House Street in Plainfield Township that the Company used for the disposal of Tannery byproducts until about 1970 (the "House Street" site). Beginning in the late 1950s, the Company used 3M Company’s Scotchgard™ in its processing of certain leathers at the Tannery. Until 2002 when 3M Company changed its Scotchgard™ formula, Tannery byproducts disposed of by the Company at the House Street site and other locations may have contained PFOA and/or PFOS, two chemicals in the family of compounds known as per- and polyfluoroalkyl substances (together, “PFAS”). PFOA and PFOS help provide non-stick, stain-resistant, and water-resistant qualities, and were used for many decades in commercial products like firefighting foams and metal plating, and in common consumer items like food wrappers, microwave popcorn bags, pizza boxes, Teflon™, carpets and Scotchgard™.

In May 2016, the Environmental Protection Agency (“EPA”) announced a lifetime health advisory level of 70 parts per trillion (“ppt”) combined for PFOA and PFOS. In January 2018, the Michigan Department of Environmental Quality (“MDEQ”, now known as the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”)) enacted a drinking water criterion of 70 ppt combined for PFOA and PFOS, which set an official state standard for acceptable concentrations of these contaminants in groundwater used for drinking water purposes. On August 3, 2020 Michigan changed the standards for PFOA and PFOS in drinking water to 8 and 16 ppt, respectively, and set standards for four other PFAS substances.

Civil and Regulatory Actions of EGLE and EPA

On January 10, 2018, EGLE filed a civil action against the Company in the U.S. District Court for the Western District of Michigan under the federal Resource Conservation and Recovery Act of 1976 (“RCRA”) and Parts 201 and 31 of the Michigan Natural Resources and Environmental Protection Act (“NREPA”) alleging that the Company’s past and present handling, storage, treatment, transportation and/or disposal of solid waste at the Company’s properties has contributed to the disposal of solid wastes that was done in a way that resulted in releases of PFAS at levels that resulted in detections exceeding applicable Michigan cleanup criteria for PFOA and PFOS (the "EGLE Action"). Plainfield and Algoma Townships intervened in the EGLE Action alleging claims under RCRA, NREPA, the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) and common law nuisance.

On December 19, 2018, the Company filed a third-party complaint against 3M Company seeking, among other things, recovery of the Company’s remediation and other costs incurred in defense of the EGLE Action ("the 3M Action"). On June 20, 2019, the 3M Company filed a counterclaim against the Company in response to the 3M Action, seeking, among other things, contractual and common law indemnity and contribution under CERCLA and Part 201 of NREPA. On February 3, 2020, the parties entered into a consent decree resolving the EGLE Action, which was approved by U.S. District Judge Janet T. Neff on February 19, 2020 (the “Consent Decree”). On February 20, 2020, the Company and the 3M Company entered into a settlement agreement resolving the 3M Action, under which 3M Company paid the Company a lump sum amount of $55.0 million during the first quarter of 2020.

Under the Consent Decree, the Company will pay to extend Plainfield Township’s municipal water system to more than 1,000 properties in Plainfield and Algoma Townships, subject to an aggregate cap of $69.5 million. The Consent Decree also obligates the Company to continue maintaining water filters for certain homeowners, resample certain residential wells for PFAS, continue remediation at the Company’s Tannery property and House Street site, and conduct further investigations and monitoring to the assess the presence of PFAS in area groundwater. The Company’s activities under the Consent Decree are not materially impacted by the drinking water standards that became effective on August 3, 2020.

On January 10, 2018, the EPA entered a Unilateral Administrative Order (the “Order”) under Section 106(a) of CERCLA, 42 U.S.C. § 9606(a). The effective date of the Order was February 1, 2018. The Order pertained to the Company's Tannery and House Street sites and directed the Company to conduct specified removal actions, including certain time critical removal actions subsequently identified in an April 29, 2019 letter from the EPA, to abate the actual or threatened release of hazardous substances at or from the sites. On October 28, 2019, the EPA and the Company entered into an Administrative Settlement and Order on Consent (“AOC”) that supersedes the Order and addresses the agreed-upon removal actions outlined in the Order. The Company has completed almost all of these activities related to the AOC, and will complete the remaining activities in 2020 pursuant to approved work plans.

The Company discusses its reserve for remediation costs in the environmental liabilities section below.

Individual and Class Action Litigation

Individual lawsuits and three putative class action lawsuits have been filed against the Company that raise a variety of claims, including claims related to property, remediation, and human health effects. The three putative class action lawsuits were subsequently refiled in the U.S. District Court for the Western District of Michigan as a single consolidated putative class action lawsuit. 3M Company has been named as a co-defendant in the individual lawsuits and consolidated putative class action lawsuit. In addition, the current owner of a former landfill and gravel mining operation sued the Company seeking damages and cost recovery for property damage allegedly caused by the Company’s disposal of tannery waste containing PFAS (this suit collectively with the individual lawsuits and putative class action, the “Litigation Matters”).

Assessing potential liability with respect to the Litigation Matters at this time is difficult. The Litigation Matters are in various stages of discovery and related motions. In addition, there is minimal direct and relevant precedent for these types of claims related to PFAS, and the science regarding the human health effects of PFAS exposure in the environment remains inconclusive and inconsistent, thereby creating additional uncertainties. Due to these factors, combined with the complexities and uncertainties of litigation, the Company is unable to conclude that adverse verdicts resulting from the Litigation Matters are probable, and therefore no amounts are currently reserved for these claims. The Company intends to continue to vigorously defend itself against these claims.

In addition, in December 2018 the Company filed a lawsuit against certain of its historic liability insurers, seeking their participation in the Company's defense and remediation efforts. The Company recognized $7.0 million in recoveries from legacy insurance policies in the first three quarters of 2020 and $1.2 million in recoveries in the third quarter of 2020. The recoveries resulted from interim payment agreements reached with the insurers and are pending final resolution of the lawsuit.

Other Litigation

The Company is also involved in litigation incidental to its business and is a party to legal actions and claims, including, but not limited to, those related to employment, intellectual property, and other environmental matters. Some of the legal proceedings include claims for compensatory as well as punitive damages. While the final outcome of these matters cannot be predicted with certainty, considering, among other things, the meritorious legal defenses available to the Company and reserves for liabilities that the Company has recorded, along with applicable insurance, it is management’s opinion that the outcome of these items are not expected to have a material adverse effect on the Company’s consolidated financial position, results of operations or cash flows.

Environmental Liabilities

The following is a summary of the activity with respect to the environmental remediation reserve established by the Company:

(In millions)	Year-To-Date Ended September 26, 2020	Year-To-Date Ended September 28, 2019
Remediation liability at beginning of the year	$ 124.4	$ 22.6
Changes in estimate	**—**	—
Amounts paid	**(27.1)**	(7.8)
Remediation liability at the end of the quarter	**$ 97.3**	$ 14.8

The reserve balance as of September 26, 2020 includes $23.7 million that is expected to be paid within the next twelve months and is recorded as a current obligation in other accrued liabilities, with the remaining $73.6 million expected to be paid over the course of up to 25 years, recorded in other liabilities.

The Company's remediation activity at the Tannery property, House Street site and other relevant disposal sites is ongoing. Although the recent Consent Decree has made near-term costs more clear, it is difficult to estimate the long-term cost of environmental compliance and remediation given the uncertainties regarding the interpretation and enforcement of applicable environmental laws and regulations, the extent of environmental contamination and the existence of alternative cleanup methods. Future developments may occur that could materially change the Company’s current cost estimates, including, but not limited to: (i) changes in the information available regarding the environmental impact of the Company’s operations and products; (ii) changes in environmental regulations, changes in permissible levels of specific compounds in drinking water sources, or changes in enforcement theories and policies, including efforts to recover natural resource damages; (iii) new and evolving analytical and remediation techniques; (iv) changes to the form of remediation; (v) success in allocating liability to other potentially responsible parties; and (vi) the financial viability of other potentially responsible parties and third-party indemnitors. For locations at which remediation activity is largely ongoing, the Company cannot estimate a possible loss or range of loss in excess of the associated established reserves for the reasons described above. The Company adjusts recorded liabilities as further information develops or circumstances change.

Minimum Royalties and Advertising Commitments

The Company has future minimum royalty and advertising obligations due under the terms of certain licenses held by the Company. These minimum future obligations for the fiscal periods subsequent to September 26, 2020 are as follows:

(In millions)	2020	2021	2022	2023	2024	Thereafter
Minimum royalties	$ 0.4	$ 1.7	$ 1.8	$ —	$ —	$ —
Minimum advertising	—	3.3	3.4	3.5	3.6	—

Minimum royalties are based on both fixed obligations and assumptions regarding the Consumer Price Index. Royalty obligations in excess of minimum requirements are based upon future sales levels. In accordance with these agreements, the Company incurred royalty expense of $0.5 million and $1.4 million for the quarter and year-to-date ended September 26, 2020, respectively. For the quarter and year-to-date ended September 28, 2019, the Company incurred royalty expense in accordance with these agreements of $0.6 million and $1.6 million, respectively.

The terms of certain license agreements also require the Company to make advertising expenditures based on the level of sales of the licensed products. In accordance with these agreements, the Company incurred advertising expense of $0.4 million and $1.4 million for the quarter and year-to-date ended September 26, 2020, respectively. For the quarter and year-to-date ended September 28, 2019, the Company incurred advertising expense in accordance with these agreements of $0.9 million and $2.8 million, respectively.

16. BUSINESS SEGMENTS

The Company’s portfolio of brands is organized into the following two operating segments, which the Company has determined to be reportable segments.

- **Wolverine Michigan Group**, consisting of *Merrell*® footwear and apparel, *Cat*® footwear, *Wolverine*® footwear and apparel, *Chaco*® footwear, *Hush Puppies*® footwear and apparel, *Bates*® uniform footwear, *Harley-Davidson*® footwear and *Hytest*® safety footwear; and

- **Wolverine Boston Group**, consisting of *Sperry®* footwear and apparel, *Saucony®* footwear and apparel, *Keds®* footwear and apparel, and the Kids' footwear business, which includes the *Stride Rite®* licensed business, as well as Kids' footwear offerings from *Saucony®*, *Sperry®*, *Keds®*, *Merrell®*, *Hush Puppies®* and *Cat®*.

The reportable segments are engaged in designing, manufacturing, sourcing, marketing, licensing and distributing branded footwear, apparel and accessories. Revenue for the reportable segments includes revenue from the sale of branded footwear, apparel and accessories to third-party customers; revenue from third-party licensees and distributors; and revenue from the Company's consumer-direct businesses.

The Company also reports "Other" and "Corporate" categories. The Other category consists of the Company's leather marketing operations, sourcing operations that include third-party commission revenues and multi-branded consumer-direct retail stores. The Corporate category consists of unallocated corporate expenses, such as COVID-19 related costs, environmental and other related costs. The Company's reportable segments are determined based on how the Company internally reports and evaluates financial information used to make operating decisions. The reportable segment managers all report directly to the chief operating decision maker.

Company management uses various financial measures to evaluate the performance of the reportable segments. The following is a summary of certain key financial measures for each reportable segment.

(In millions)	Quarter Ended		Year-To-Date Ended	
	September 26, 2020	September 28, 2019	**September 26, 2020**	September 28, 2019
Revenue:				
Wolverine Michigan Group	**$ 287.3**	$ 318.8	**$ 752.5**	$ 939.7
Wolverine Boston Group	**193.8**	241.3	**498.4**	676.8
Other	**12.0**	14.2	**30.6**	49.8
Total	**$ 493.1**	$ 574.3	**$ 1,281.5**	$ 1,666.3
Operating profit (loss):				
Wolverine Michigan Group	**$ 52.3**	$ 66.0	**$ 133.8**	$ 183.8
Wolverine Boston Group	**33.0**	46.5	**60.4**	115.7
Other	**0.7**	0.7	**1.0**	3.0
Corporate	**(43.4)**	(44.9)	**(128.2)**	(126.3)
Total	**$ 42.6**	$ 68.3	**$ 67.0**	$ 176.2

(In millions)	**September 26, 2020**	December 28, 2019	September 28, 2019
Total assets:			
Wolverine Michigan Group	**$ 691.8**	$ 773.8	$ 814.8
Wolverine Boston Group	**1,322.5**	1,354.8	1,404.6
Other	**33.6**	38.4	43.8
Corporate	**453.2**	313.0	205.3
Total	**$ 2,501.1**	$ 2,480.0	$ 2,468.5
Goodwill:			
Wolverine Michigan Group	**$ 143.9**	$ 144.4	$ 143.1
Wolverine Boston Group	**293.9**	294.5	293.9
Total	**$ 437.8**	$ 438.9	$ 437.0

17. BUSINESS ACQUISITIONS

On April 30, 2019, the Company acquired assets and assumed liabilities from Sportlab S.R.L. ("Sportlab"), the distributor of *Saucony®* footwear in Italy. Total purchase consideration of $25.2 million includes cash paid, extinguishment of Sportlab's accounts payable balance that was due to the Company at the time of acquisition and contingent consideration. The contingent consideration was based on sales activity from the date of the acquisition through the end of fiscal 2019 and was paid in the first quarter of fiscal 2020. The detailed amounts of each component of the purchase consideration are as follows:

(In millions)		Purchase Consideration
Cash paid	$	15.1
Extinguishment of Sportlab's accounts payable balance		4.6
Contingent consideration		5.5
Total purchase consideration	$	25.2

The Company accounted for the acquisition under the provisions of FASB ASC Topic 805, *Business Combinations*. The related assets acquired and liabilities assumed were recorded at fair value on the acquisition date. The operating results for the acquired *Saucony*® distributor business are included in the Company's consolidated results of operations beginning April 30, 2019, and are included in the Wolverine Boston Group reporting group for segment reporting purposes.

The final allocation of the purchase price as of December 28, 2019 was:

(In millions)		Initial Valuation
Accounts receivable	$	1.8
Inventories		6.2
Goodwill		12.0
Amortizable intangibles		12.9
Total assets acquired		32.9
Deferred income taxes		3.2
Other liabilities		4.5
Total liabilities assumed		7.7
Net assets acquired	$	25.2

The excess of the purchase price over the fair value of the net assets acquired, amounting to $12.0 million, was recorded as goodwill in the consolidated balance sheet and was assigned to the Wolverine Boston Group reportable segment. The goodwill that was recognized is attributable to the efficiencies to be gained by integrating operations with the *Saucony*® distribution business purchased from Sportlab. Other intangible assets acquired include order backlog, valued at $1.7 million, and customer relationship assets, valued at $11.2 million, which had estimated useful lives at the acquisition date of 7 months and 14 years, respectively.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion of the Company's results of operations and liquidity and capital resources. This section should be read in conjunction with the Company's consolidated condensed financial statements and related notes included elsewhere in this Quarterly Report.

BUSINESS OVERVIEW

The Company is a leading global designer, marketer and licensor of branded footwear, apparel and accessories. The Company's vision statement is "**to build a family of the most admired performance and lifestyle brands on earth**" and the Company seeks to fulfill this vision by offering innovative products and compelling brand propositions; complementing its footwear brands with strong apparel and accessories offerings; expanding its global consumer-direct footprint; and delivering supply chain excellence.

The Company's brands are marketed in approximately 170 countries and territories at September 26, 2020, including through owned operations in the U.S., Canada, the United Kingdom and certain countries in continental Europe and Asia Pacific. In other regions (Latin America, portions of Europe and Asia Pacific, the Middle East and Africa), the Company relies on a network of third-party distributors, licensees and joint ventures. At September 26, 2020, the Company operated 97 retail stores in the U.S. and Canada and 36 consumer-direct eCommerce sites.

COVID-19

In March 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. COVID-19 has had a negative effect on the global economy and on the Company's 2020 operating and financial results to date. The full financial effects of the COVID-19 pandemic cannot be reasonably estimated at this time due to uncertainty as to its severity and duration. The Company has taken the following proactive and precautionary measures to mitigate known areas of risk and navigate the future environment:

- To increase liquidity and flexibility of the Company's capital structure, the Company borrowed $171 million in incremental 364-day term loan under its senior credit facility, $21 million of which was repaid during the third quarter, and sold $300 million of 6.375% Senior Notes (refer to Note 7, "Debt"), delayed most capital projects, suspended share repurchases, implemented select employee furloughs and organizational changes, compensation changes for the Company's management team and Board of Directors, delayed or canceled certain future product purchases across its portfolio of brands, took additional steps to reduce discretionary spending and other expenditures, and initiated conversations with landlords to seek lease concessions. Lease concessions have been received for some of the Company's leased properties and other discussions are still ongoing.
- The Company temporarily closed all U.S. and Canada retail stores on March 17, 2020. Stores began reopening in May under a phased approach and during the second quarter all stores had reopened with newly instituted health and safety protocols for customers and employees following regulatory guidance and protocols promulgated by health authorities and government officials. During the period stores were closed, the Company's distribution centers remained open and the Company's direct on-line channels continued to serve customer demand.

The COVID-19 pandemic has had, and is expected to continue to have, a material adverse impact on the Company's financial results. Expenses related to the COVID-19 pandemic in the first three quarters of the year include $10.2 million of severance expenses, $8.9 million of credit loss expenses, and $5.8 million for other costs that includes costs to modify office workspace, purchase masks, and inventory related costs. Expenses related to the COVID-19 pandemic in the third quarter include $5.5 million of severance expenses and $2.1 million of other costs.

The full nature and extent of the impact will depend on future developments, including, among other things; the continued spread and duration of the pandemic; the negative impact on global and regional economies and economic activity; actions governments, businesses and individuals take in response to the pandemic; the effects of the pandemic, including all of the foregoing, on the Company's manufacturers, distributors, suppliers, joint venture partners, wholesale customers and other counterparties, and how quickly the global economy and demand for the Company's products recovers after the pandemic subsides. The Company continues to monitor the situation closely.

2020 FINANCIAL OVERVIEW

- Revenue was $493.1 million for the third quarter of 2020, representing a decline of 14.1% compared to the third quarter of 2019. The change in revenue reflected a 9.9% decline from the Michigan Group and a 19.7% decline from the Boston Group. Changes in foreign exchange rates increased revenue by $2.5 million during the third quarter of 2020. Owned eCommerce revenue increased during the third quarter of 2020 by 56.4% compared to the third quarter of 2019.
- Gross margin was 41.0% in the third quarter of 2020 compared to 42.4% in the third quarter of 2019.

- The effective tax rates in the third quarters of 2020 and 2019 were 28.5% and 20.3%, respectively.
- Diluted earnings per share for the third quarters of 2020 and 2019 were $0.27 per share and $0.57 per share, respectively.
- The Company declared cash dividends of $0.10 per share in both the third quarters of 2020 and 2019.
- Cash flow provided by operating activities was $135.5 million and $16.0 million for the first three quarters of 2020 and 2019, respectively, and was $96.5 million and $12.1 million for the third quarter of 2020 and 2019, respectively.
- Compared to the third quarter of 2019, inventory decreased $92.0 million, or 22.0%.

RESULTS OF OPERATIONS

	Quarter Ended			Year-To-Date Ended		
(In millions, except per share data)	**September 26, 2020**	September 28, 2019	Percent Change	**September 26, 2020**	September 28, 2019	Percent Change
Revenue	**$ 493.1**	$ 574.3	(14.1)%	**$ 1,281.5**	$ 1,666.3	(23.1)%
Cost of goods sold	**291.1**	331.0	(12.1)	**750.5**	972.4	(22.8)
Gross profit	**202.0**	243.3	(17.0)	**531.0**	693.9	(23.5)
Selling, general and administrative expenses	**157.5**	165.9	(5.1)	**457.2**	498.6	(8.3)
Environmental and other related costs, net of recoveries	**1.9**	9.1	(79.1)	**6.8**	19.1	(64.4)
Operating profit	**42.6**	68.3	(37.6)	**67.0**	176.2	(62.0)
Interest expense, net	**12.8**	8.2	56.1	**31.1**	21.8	42.7
Debt extinguishment and other costs	**—**	—	—	**0.2**	—	—
Other income, net	**(0.6)**	(0.9)	33.3	**(2.9)**	(3.2)	9.4
Earnings before income taxes	**30.4**	61.0	(50.2)	**38.6**	157.6	(75.5)
Income tax expense	**8.7**	12.4	(29.8)	**6.0**	28.2	(78.7)
Net earnings	**21.7**	48.6	(55.3)	**32.6**	129.4	(74.8)
Less: net earnings (loss) attributable to noncontrolling interests	**(0.7)**	(0.1)	(600.0)	**(1.2)**	—	—
Net earnings attributable to Wolverine World Wide, Inc.	**$ 22.4**	$ 48.7	(54.0)%	**$ 33.8**	$ 129.4	(73.9)%
Diluted earnings per share	**$ 0.27**	$ 0.57	(52.6)%	**$ 0.41**	$ 1.44	(71.5)%

REVENUE

Revenue was $493.1 million for the third quarter of 2020, representing a decline of 14.1% compared to the third quarter of 2019. The change in revenue reflected a 9.9% decline from the Michigan Group and a 19.7% decline from the Boston Group. The Michigan Group's revenue decline was driven by mid-single digit decline from *Merrell*®, high-teens decline from *Cat*®, high-single digit decline from *Wolverine*®, and a high-fifties decline from *Hush Puppies*®, partially offset by high-twenties increase from *Chaco*®. The Boston Group's revenue decline was driven by high-forties decline from *Sperry*®, mid-teens decline from *Keds*®, and a low-twenties decline from Kids', partially offset by low-teens increase from *Saucony*®. Changes in foreign exchange rates increased revenue by $2.5 million during the third quarter of 2020. Owned eCommerce revenue increased during the third quarter of 2020 by 56.4% compared to the third quarter of 2019.

Revenue was $1,281.5 million for the first three quarters of 2020, representing a decline of 23.1% compared to the first three quarters of 2019. The change in revenue reflected a 19.9% decline from the Michigan Group and a 26.4% decline from the Boston Group. The Michigan Group's revenue decline was driven by mid-teens decline from *Merrell*®, high-twenties decline from *Cat*®, high-teens decline from *Wolverine*®, low-teens decline from *Chaco*®, and a mid-forties decline from *Hush Puppies*®. The Boston Group's revenue decline was driven by mid-forties decline from *Sperry*®, low-single digit decline from *Saucony*®, mid-twenties decline from *Keds*®, and a high-twenties decline from Kids'. Changes in foreign exchange rates decreased revenue by $2.4 million during the first three quarters of 2020. Owned eCommerce revenue increased during the first three quarters of 2020 by 59.9% compared to the first three quarters of 2019.

GROSS MARGIN

Gross margin was 41.0% in the third quarter of 2020 compared to 42.4% in the third quarter of 2019. Gross margin was 41.4% in the first three quarters of 2020 compared to 41.6% during the first three quarters of 2019. The decrease in the third quarter and the first three quarters is due to increased closeout sales, the impact of tariffs, and lower royalty revenue, partially offset by improved product mix.

OPERATING EXPENSES

Operating expenses decreased $15.6 million, from $175.0 million in the third quarter of 2019 to $159.4 million in the third quarter of 2020. The decrease was primarily driven by lower selling costs ($9.5 million), lower product development costs ($2.9 million), lower distribution costs ($0.7 million), lower general and administrative costs ($10.3 million), and lower environmental and other related costs, net of insurance recoveries ($7.2 million), partially offset by higher advertising ($6.0 million), higher incentive compensation ($6.3 million), and higher non-operating costs incurred due to the COVID-19 pandemic ($2.9 million).

Operating expenses decreased $53.7 million, from $517.7 million in the first three quarters of 2019 to $464.0 million in the first three quarters of 2020. The decrease was primarily driven by lower selling costs ($29.9 million), lower product development costs ($8.7 million), lower distribution costs ($4.6 million), lower incentive compensation ($1.2 million), lower general and administrative costs ($21.8 million), and lower environmental and other related costs, net of insurance recoveries ($12.3 million), partially offset by higher advertising ($5.9 million) and higher non-operating costs incurred due to the COVID-19 pandemic ($19.1 million).

INTEREST, OTHER AND INCOME TAXES

Net interest expense was $12.8 million in the third quarter of 2020 compared to $8.2 million in the third quarter of 2019. Net interest expense was $31.1 million in the first three quarters of 2020 compared to $21.8 million in the first three quarters of 2019. Interest expense increased in the current year periods due to higher average debt balances in 2020.

Other income was $0.6 million in the third quarter of 2020, compared to $0.9 million in the third quarter of 2019. Other income was $2.9 million in the first three quarters of 2020, compared to $3.2 million in the first three quarters of 2019. The decrease in other income in the first three quarters of 2020 was driven by higher non-service pension costs ($1.5 million) and higher losses from equity method investments ($0.7 million), partially offset by higher sublease income ($0.7 million) and gains on foreign exchange derivatives reclassified from accumulated other comprehensive loss ($1.3 million).

The effective tax rates in the third quarter of 2020 and 2019 were 28.5% and 20.3%, respectively. The effective tax rates in the first three quarters of 2020 and 2019 were 15.5% and 17.9%, respectively. The increase in the effective rate for the current quarterly period reflects a negative impact from current period discrete items, as well as a shift in income between tax jurisdictions with differing tax rates. The decrease in the current year-to-date effective tax rate is driven by the positive impact of discrete items partially offset by the negative impact of a shift in income between jurisdictions with differing tax rates.

REPORTABLE SEGMENTS

The Company’s portfolio of brands is organized into the following two operating segments, which the Company has determined to be reportable segments.

- **Wolverine Michigan Group**, consisting of *Merrell*® footwear and apparel, *Cat*® footwear, *Wolverine*® footwear and apparel, *Chaco*® footwear, *Hush Puppies*® footwear and apparel, *Bates*® uniform footwear, *Harley-Davidson*® footwear and *Hytest*® safety footwear; and
- **Wolverine Boston Group**, consisting of *Sperry*® footwear and apparel, *Saucony*® footwear and apparel, *Keds*® footwear and apparel, and the Kids’ footwear business, which includes the *Stride Rite*® licensed business, as well as Kids' footwear offerings from *Saucony*®, *Sperry*®, *Keds*®, *Merrell*®, *Hush Puppies*® and *Cat*®.

The Company also reports “Other” and “Corporate” categories. The Other category consists of the Company’s leather marketing operations, sourcing operations that include third-party commission revenues and multi-branded consumer-direct retail stores. The Corporate category consists of unallocated corporate expenses, such as COVID-19 related costs, environmental and other related costs.

The reportable segment results are as follows:

(In millions)	Quarter Ended September 26, 2020	Quarter Ended September 28, 2019	Quarter Ended Change	Quarter Ended Percent Change	Year-To-Date Ended September 26, 2020	Year-To-Date Ended September 28, 2019	Year-To-Date Ended Change	Year-To-Date Ended Percent Change
REVENUE								
Wolverine Michigan Group	**$ 287.3**	$ 318.8	$ (31.5)	(9.9)%	**$ 752.5**	$ 939.7	$ (187.2)	(19.9)%
Wolverine Boston Group	**193.8**	241.3	(47.5)	(19.7)	**498.4**	676.8	(178.4)	(26.4)
Other	**12.0**	14.2	(2.2)	(15.5)	**30.6**	49.8	(19.2)	(38.6)
Total	**$ 493.1**	$ 574.3	$ (81.2)	(14.1)%	**$ 1,281.5**	$ 1,666.3	$ (384.8)	(23.1)%

(In millions)	Quarter Ended September 26, 2020	Quarter Ended September 28, 2019	Quarter Ended Change	Quarter Ended Percent Change	Year-To-Date Ended September 26, 2020	Year-To-Date Ended September 28, 2019	Year-To-Date Ended Change	Year-To-Date Ended Percent Change
OPERATING PROFIT (LOSS)								
Wolverine Michigan Group	**$ 52.3**	$ 66.0	$ (13.7)	(20.8)%	**$ 133.8**	$ 183.8	$ (50.0)	(27.2)%
Wolverine Boston Group	**33.0**	46.5	(13.5)	(29.0)	**60.4**	115.7	(55.3)	(47.8)
Other	**0.7**	0.7	—	—	**1.0**	3.0	(2.0)	(66.7)
Corporate	**(43.4)**	(44.9)	1.5	3.3	**(128.2)**	(126.3)	(1.9)	(1.5)
Total	**$ 42.6**	$ 68.3	$ (25.7)	(37.6)%	**$ 67.0**	$ 176.2	$ (109.2)	(62.0)%

Further information regarding the reportable segments can be found in Note 16 to the consolidated condensed financial statements.

Wolverine Michigan Group

The Michigan Group's revenue decreased $31.5 million, or 9.9%, in the third quarter of 2020 compared to the third quarter of 2019. The revenue decline included mid-single digit decline from *Merrell*®, high-teens decline from *Cat*®, high-single digit decline from *Wolverine*®, and a high-fifties decline from *Hush Puppies*®, partially offset by high-twenties increase from *Chaco*®. The *Chaco*® increase is due to consumers shifting to outdoor activities, driving demand for Z-sandals at U.S. wholesale customers and through its owned eCommerce channel. The Michigan Group's revenue decreased $187.2 million, or 19.9% in the first three quarters of 2020 compared to the first three quarters of 2019. The revenue decline was driven by mid-teens decline from *Merrell*®, high-twenties decline from *Cat*®, high-teens decline from *Wolverine*®, low-teens decline from *Chaco*®, and a mid-forties decline from *Hush Puppies*®. The brands that declined in the third quarter and first three quarters of 2020 were negatively effected by customer trends and behavior resulting from the COVID-19 pandemic, partially offset by eCommerce growth.

The Michigan Group's operating profit decreased $13.7 million in the third quarter of 2020 compared to the third quarter of 2019. The operating profit decline was due to the revenue declines, partially offset by a $4.8 million decrease in selling, general and administrative costs. The Michigan Group's operating profit decreased $50.0 million in the first three quarters of 2020 compared to the first three quarters of 2019. The operating profit decline was due to the revenue declines, partially offset by a $30.3 million decrease in selling, general and administrative costs. The decrease in selling, general and administrative expenses in the current year periods was due to declines in distribution and reductions in employee costs and other discretionary spending in response to the COVID-19 pandemic.

Wolverine Boston Group

The Boston Group's revenue decreased $47.5 million, or 19.7%, during the third quarter of 2020 compared to the third quarter of 2019. The revenue decline included high-forties decline from *Sperry*®, mid-teens decline from *Keds*®, and a low-twenties decline from Kids', partially offset by low-teens increase from *Saucony*®. The *Saucony*® increase is due to continued momentum from consumers engaging in outdoor/healthy lifestyles leading to increased performance footwear revenue at U.S. wholesale customers and through its owned eCommerce channel. The Boston Group's revenue decreased by $178.4 million, or 26.4%, during the first three quarters of 2020 compared to the first three quarters of 2019. The revenue decline included mid-forties decline from *Sperry*®, low-single digit decline from *Saucony*®, mid-twenties decline from *Keds*®, and a high-twenties decline from Kids'. The brands that declined in the third quarter and first three quarters of 2020 were negatively effected by customer buying trends and behavior resulting from the COVID-19 pandemic, partially offset by eCommerce growth.

The Boston Group’s operating profit decreased $13.5 million in the third quarter of 2020 compared to the third quarter of 2019. The operating profit decline was due to the revenue declines, partially offset by a $5.2 million decrease in selling, general and administrative costs. The Boston Group’s operating profit decreased $55.3 million in the first three quarters of 2020 compared to the first three quarters of 2019. The operating profit decline was due to the revenue declines, partially offset by a $15.2 million decrease in selling, general and administrative costs. The decrease in selling, general and administrative expenses in the current year periods was due to declines in distribution and reductions in employee costs and other discretionary spending in response to the COVID-19 pandemic.

Other

The Other category’s revenue decreased $2.2 million, or 15.5%, in the third quarter of 2020 compared to the third quarter of 2019. The Other category’s revenue decreased $19.2 million, or 38.6%, during the first three quarters of 2020 compared to the first three quarters of 2019. The decrease in the current year periods was due to a decline in the performance leathers business and lower multi-branded stores revenue and third-party sourcing commission revenue resulting from the COVID-19 pandemic.

LIQUIDITY AND CAPITAL RESOURCES

(In millions)	**September 26, 2020**	December 28, 2019	September 28, 2019
Cash and cash equivalents	**$ 342.0**	$ 180.6	$ 125.2
Debt	**876.6**	798.4	934.0
Available revolving credit facility [1]	**794.0**	434.3	303.1

[1] Amounts are net of both borrowings, if any, and outstanding standby letters of credit in accordance with the terms of the Revolving Credit Facility.

	Year-To-Date Ended	
(In millions)	**September 26, 2020**	September 28, 2019
Net cash provided by operating activities	**$ 135.5**	$ 16.0
Net cash provided by (used in) investing activities	**9.6**	(53.4)
Net cash provided by financing activities	**15.4**	19.4
Additions to property, plant and equipment	**6.0**	28.7
Depreciation and amortization	**23.8**	23.3

Liquidity

Cash and cash equivalents of $342.0 million as of September 26, 2020 were $216.8 million higher compared to September 28, 2019. The increase is due primarily to cash provided by operating activities during the previous four quarters of $342.1 million, the issuance of $300.0 million Senior Notes on May 11, 2020 and cash inflows from investing activities of $1.5 million, partially offset by net repayments under the Amended Senior Credit Facility of $353.3 million, cash dividends paid of $33.6 million and share repurchases of $26.0 million. The Company had $794.0 million of borrowing capacity available under the Revolving Credit Facility as of September 26, 2020. Cash and cash equivalents located in foreign jurisdictions totaled $135.8 million as of September 26, 2020.

Cash flow from operating activities is expected to be sufficient to meet the Company’s working capital needs for the foreseeable future. Any excess cash flow from operating activities is expected to be used to reduce debt, pay dividends, and fund organic growth initiatives.

A detailed discussion of environmental remediation costs is found in Note 15 to the consolidated condensed financial statements. The Company has established a reserve for estimated environmental remediation costs based upon an evaluation of currently available facts with respect to each individual site. As of September 26, 2020, the Company had a reserve of $97.3 million, of which $23.7 million is expected to be paid in the next 12 months and is recorded as a current obligation in other accrued liabilities with the remaining $73.6 million recorded in other liabilities expected to be paid over the course of up to 25 years. The Company's remediation activity at its former Tannery site and sites where the Company disposed of Tannery byproducts is ongoing. It is difficult to estimate the cost of environmental compliance and remediation given the uncertainties regarding the interpretation and enforcement of applicable environmental laws and regulations, the extent of environmental contamination and the existence of alternative cleanup methods. Developments may occur that could materially change the Company’s current cost estimates. The Company adjusts recorded liabilities as further information develops or circumstances change.

There is uncertainty regarding the future impact of the COVID-19 pandemic on the Company's statement of operations and cash flows. The actions the Company has taken and continues to take to improve the Company's liquidity are discussed above in this Item 2.

Operating Activities

The principal source of the Company's operating cash flow is net earnings, including cash receipts from the sale of the Company's products, net of costs of goods sold.

For the first three quarters of 2020, a decrease in net working capital represented a source of cash of $39.2 million. Working capital balances were favorably impacted by a decrease in inventories of $21.6 million, an increase in income taxes payable of $15.1 million, a decrease in other operating assets of $9.9 million, and an increase in other operating liabilities of $3.5 million, partially offset by a decrease in accounts payable of $9.2 million and an increase in accounts receivable of $1.7 million. Operating cash flows were favorably impacted by Environmental and other related costs, net of cash payments and recoveries received of $25.2 million, which included $55.0 million paid by 3M Company during the first quarter of 2020. See Note 15 for additional information regarding this settlement.

Investing Activities

The Company made capital expenditures of $6.0 million and $28.7 million in the first three quarters of 2020 and 2019, respectively, for building improvements, new retail stores and information system enhancements. During the second quarter of 2020, the Company made a cash investment of $3.5 million in joint ventures. During the first quarter of 2020, the Company made a contingent consideration payment of $5.5 million related to the *Saucony*® Italy distributor acquisition. See Note 17 for additional information regarding the acquisition. During the second quarter of 2020, the Company received proceeds of $25.6 million from company-owned life insurance policy liquidations.

Financing Activities

On May 5, 2020, the Company entered into a Second Amendment to its senior credit facility. In connection with the Second Amendment, the Company borrowed an incremental $171.0 million in aggregate principal in Incremental Term Loan. The Incremental Term Loan will mature on May 4, 2021 and bears interest at a rate equal either to (i) the applicable base rate plus 1.250% or (ii) LIBOR plus 2.250%. During the third quarter, the Company made voluntary principal repayments of $21.0 million on the Incremental Term Loan. The Amended Senior Credit Facility also includes a $200.0 million term loan facility and an $800.0 million Revolving Credit Facility, both with maturity dates of December 6, 2023, that remain unchanged as a result of the Second Amendment. The Amended Senior Credit Facility's debt capacity is limited to an aggregate debt amount (including outstanding term loan principal and revolver commitment amounts in addition to permitted incremental debt) not to exceed $1,750.0 million, unless certain specified conditions set forth in the Amended Senior Credit Facility are met. Term Loan A requires quarterly principal payments with a balloon payment due on December 6, 2023.

On May 11, 2020, the Company issued $300.0 million aggregate principal amount of 6.375% Senior Notes due on May 15, 2025 with related interest payments due semi-annually beginning on November 15, 2020. These senior notes are guaranteed by substantially all of the Company's domestic subsidiaries.

As of September 26, 2020, the Company was in compliance with all covenants and performance ratios under the Senior Credit Facility.

The Company's debt at September 26, 2020 totaled $876.6 million compared to $798.4 million at December 28, 2019. The Company expects to use the increased borrowings for working capital and general corporate purposes. The increased cash position resulted from net incremental borrowings under the Amended Senior Credit Facility and the May 11, 2020 Senior Notes allow for greater financial flexibility in light of current uncertainty in the global markets resulting from the COVID-19 pandemic.

The Company repurchased $21.0 million and $314.2 million of shares in the first three quarters of 2020 and 2019, respectively. The Company may purchase up to an additional $487.4 million of shares under its existing common stock repurchase program which expires in 2023. As part of its strategy to increase liquidity and the flexibility of the Company's capital structure as a result of the COVID-19 pandemic, the Company suspended share repurchases in March 2020. The Company also paid $20.1 million in the first three quarters of 2020 in connection with shares or units withheld to pay employee taxes related to awards under stock incentive plans.

The Company declared cash dividends of $0.30 per share and paid cash dividends of $25.4 million in the aggregate, in the first three quarters of 2020 and 2019, respectively.

CRITICAL ACCOUNTING POLICIES

The preparation of the Company’s consolidated condensed financial statements, which have been prepared in accordance with U.S. GAAP, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. On an ongoing basis, management evaluates these estimates. Estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Historically, actual results have not been materially different from the Company’s estimates. However, actual results may differ materially from these estimates under different assumptions or conditions.

The Company has identified the critical accounting policies used in determining estimates and assumptions in the amounts reported and for information regarding our critical accounting policies refer to Management Discussion and Analysis of Financial Conditions and Results of Operations in the 2019 Form 10-K and Note 5, Goodwill and indefinite-lived intangibles for discussion regarding the valuation of goodwill and indefinite-lived intangible assets. Management believes there have been no material changes in those critical accounting policies.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

The Company faces market risk to the extent that changes in foreign currency exchange rates affect the Company’s foreign assets, liabilities and inventory purchase commitments. The Company manages these risks by attempting to denominate contractual and other foreign arrangements in U.S. dollars. The Company does not believe that there has been a material change in the nature of the Company’s primary market risk exposures, including the categories of market risk to which the Company is exposed and the particular markets that present the primary risk of loss to the Company. As of the date of this Quarterly Report on Form 10-Q, the Company does not know of any material change in the near-term in the general nature of its primary market risk exposure.

Under the provisions of FASB ASC 815, the Company is required to recognize all derivatives on the balance sheet at fair value. Derivatives that are not qualifying hedges must be adjusted to fair value through earnings. If a derivative is a qualifying hedge, depending on the nature of the hedge, changes in the fair value of derivatives are either offset against the change in fair value of the hedged assets, liabilities or firm commitments through earnings or recognized in accumulated other comprehensive income until the hedged item is recognized in earnings.

The Company conducts wholesale operations outside of the U.S. in Canada, continental Europe, United Kingdom, Colombia, Hong Kong, China and Mexico where the functional currencies are primarily the Canadian dollar, euro, British pound, Colombian peso, Hong Kong dollar, Chinese renminbi and Mexican peso, respectively. The Company utilizes foreign currency forward exchange contracts to manage the volatility associated primarily with U.S. dollar inventory purchases made by non-U.S. wholesale operations in the normal course of business as well as to manage foreign currency translation exposure. As of September 26, 2020 and September 28, 2019, the Company had outstanding forward currency exchange contracts to purchase primarily U.S. dollars in the amounts of $188.3 million and $237.7 million, respectively, with maturities ranging up to 545 and 545 days, respectively.

The Company also has sourcing locations in Asia, where financial statements reflect the U.S. dollar as the functional currency. However, operating costs are paid in the local currency. Revenue generated by the Company from third-party foreign licensees is calculated in the local currencies but paid in U.S. dollars. Accordingly, the Company’s reported results are subject to foreign currency exposure for this stream of revenue and expenses. Any associated foreign currency gains or losses on the settlement of local currency amounts are reflected within the Company's consolidated condensed statement of operations and comprehensive income.

Assets and liabilities outside the U.S. are primarily located in the United Kingdom, Canada and the Netherlands. The Company’s investments in foreign subsidiaries with a functional currency other than the U.S. dollar are generally considered long-term. As of September 26, 2020, a stronger U.S. dollar compared to certain foreign currencies decreased the value of these investments in net assets by $1.5 million from their value as of December 28, 2019. As of September 28, 2019, a stronger U.S. dollar compared to certain foreign currencies decreased the value of these investments in net assets by $0.6 million from their value at December 29, 2018. The Company has a cross currency swap, which has been designated as a hedge of a net investment in a foreign operation. As of September 26, 2020, the hedge had a notional amount of $79.8 million and will mature on September 1, 2021.

The Company is exposed to interest rate changes primarily as a result of interest expense on borrowings used to finance acquisitions and working capital requirements. As of September 26, 2020, the Company’s total variable-rate debt was $335.0 million and the Company held an interest rate swap agreement, denominated in U.S. dollars, that effectively converted $293.9 million of the Company’s variable-rate-debt to fixed-rate debt.

The Company does not enter into contracts for speculative or trading purposes, nor is it a party to any leveraged derivative instruments.

ITEM 4. Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company’s management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures. Based on, and as of the time of such evaluation, the Company’s management, including the Chief Executive Officer and Chief Financial Officer, concluded that the Company’s disclosure controls and procedures, as defined in Securities Exchange Act Rule 13a-15(e), were effective as of the end of the period covered by this report. There have been no changes during the quarter ended September 26, 2020 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. Risk Factors

There have been no material changes in the assessment of the Company’s risk factors from those set forth in the Company’s Annual Report on Form 10-K for the year ended December 28, 2019, except for the risk factors included below:

The COVID-19 pandemic has had a material adverse impact on the Company’s operations and financial results, and such impact could worsen and last for an unknown period of time.

The COVID-19 pandemic has negatively affected the global economy, disrupted consumer spending and global supply chains, and created significant volatility and disruption of financial markets both globally and in the United States. This has led to a decline in discretionary spending by consumers and, in turn, a negative effect on the Company’s financial condition and results of operations. The extent to which the COVID-19 pandemic impacts the Company’s business, operations, and financial results, including the duration and magnitude of such effects, will depend on numerous evolving factors outside of our control that the Company cannot currently fully predict or assess, the duration and scope of the pandemic and effectiveness of containment efforts; the negative impact on global and regional economies and economic activity, including the duration and magnitude of its impact on unemployment rates, consumer discretionary spending and levels of consumer confidence; and actions governments, businesses and individuals may take in response to the pandemic. The timing of recovery after the pandemic is also uncertain. The Company’s business has been and could continue to be materially adversely affected by several factors related to the COVID-19 pandemic, including, but not limited to:

- The inability of our employees, suppliers, and other business providers to carry out tasks at ordinary levels of performance as a result of measures taken to limit the spread of COVID-19, such as those promulgated by governmental authorities.
- Further outbreaks could require the closure of our and our wholesale customers recently reopened retail stores. As a result, there can be no assurance as to whether recently reopened stores can remain open.
- Decreased retail traffic resulting from social distancing restrictions.
- Negative effects on consumer spending due to general macroeconomic conditions, decreased disposable income and increased unemployment.
- Wholesale and distributor customer order cancellations resulting from lower consumer demand.
- Decline in the performance or financial condition of the Company’s major wholesale customers as a result of retail store closures, bankruptcy, or liquidation.
- Disruption to the operations of the Company’s distribution centers and our third-party manufacturers because of facility closures, reductions in operating hours, labor or material shortages, travel limitations or mass transit disruptions.
- Additional expenses related to mitigating the pandemic’s impact on regular operations.
- Increased cyber security risk due to the increase in the number of employees working remotely.

The disruption to the global economy and to our business may lead to triggering events that may indicate that the carrying value of certain assets, such as long-lived assets, intangibles and goodwill, may not be recoverable. Any related non-cash impairment charges will adversely affect our results of operations.

COVID-19 may also affect our operating and financial results in a manner that is not presently known to us or that the Company currently do not consider as presenting significant risks to our operations.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information regarding the Company's purchases of its own common stock during the third quarter of 2020.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Amount that May Yet Be Purchased Under the Plans or Programs
Period 7 (June 28, 2020 to August 1, 2020)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	9,918	$ 23.80	—	
Period 8 (August 2, 2020 to August 29, 2020)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	—	$ —	—	
Period 9 (August 30, 2020 to September 26, 2020)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	143	$ 25.91	—	
Total for the third Quarter Ended September 26, 2020				
Common Stock Repurchase Program[1]	—	$ —	—	$ 487,440,708
Employee Transactions[2]	10,061	$ 23.83	—	

(1) On February 11, 2019, the Company's Board of Directors approved a common stock repurchase program that authorized the repurchase of $400.0 million of common stock over a four-year period. On September 11, 2019, the Company's Board of Directors approved a new common stock repurchase program that authorizes the repurchase of $400.0 million of common stock over a four-year period, incremental to the $113.4 million remaining under the previous program. The annual amount of any stock repurchases is restricted under the terms of the Company's Amended Senior Credit Facility and senior notes indenture. As part of the Company's strategy to increase liquidity and flexibility of its capital structure in response to the COVID-19 pandemic, the Company suspended share repurchases in March 2020.

(2) Employee transactions include: (1) shares delivered or attested to in satisfaction of the exercise price and/or tax withholding obligations by holders of employee stock options who exercised options, and (2) restricted shares and units withheld to offset statutory minimum tax withholding that occurs upon vesting of restricted shares and units. The Company's employee stock compensation plans provide that the shares delivered or attested to, or withheld, shall be valued at the closing price of the Company's common stock on the date the relevant transaction occurs.

ITEM 6. Exhibits

Exhibits filed as a part of this Form 10-Q are incorporated by reference herein.

Exhibit Number	Document
3.1	Amended and Restated Certificate of Incorporation. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on April 24, 2014.
3.2	Amended and Restated By-laws. Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 8, 2019.
10.1	Employment Agreement between Brendan Hoffman and the Company, dated August 7, 2020.
10.2	Executive Severance Agreement between Brendan Hoffman and the Company, dated August 7, 2020.* Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 13, 2020.
10.3	Indemnification Agreement between Brendan Hoffman and the Company, dated August 7, 2020.* Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on August 13, 2020.
31.1	Certification of Chairman, Chief Executive Officer and President under Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Senior Vice President, Chief Financial Officer and Treasurer under Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification pursuant to 18 U.S.C. §1350.
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended September 26, 2020, formatted in Inline XBRL: (i) Consolidated Condensed Statements of Operations and Comprehensive Income; (ii) Consolidated Condensed Balance Sheets; (iii) Consolidated Condensed Statements of Cash Flows; (iv) Consolidated Condensed Statements of Stockholders' Equity; and (v) Notes to Consolidated Condensed Financial Statements.
104	The cover page of the Company's Quarterly Report on Form 10-Q for the quarter ended September 26, 2020, formatted in Inline XBRL (included in Exhibit 101).

* Management contract or compensatory plan or arrangement.

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.

WOLVERINE WORLD WIDE, INC.

November 5, 2020	/s/ Blake W. Krueger
Date	Blake W. Krueger Chairman, Chief Executive Officer and President (Principal Executive Officer and Duly Authorized Signatory for Registrant)
November 5, 2020	/s/ Michael D. Stornant
Date	Michael D. Stornant Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer and Duly Authorized Signatory for Registrant)

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "***Agreement***"), dated as of August 7, 2020, is entered into by and between Wolverine World Wide, Inc., a Delaware corporation (the "***Company***"), and Brendan L. Hoffman, an individual ("***Employee***").

RECITALS

A. The Company wishes to employ Employee, initially as its President; and

B. Employee wishes to accept employment with the Company upon the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment. The Company shall employ Employee, and Employee accepts employment with the Company, upon the terms and conditions set forth in this Agreement. Employee's term of employment hereunder shall commence on or about September 8, 2020 (the "***Effective Time***") and continue until the first anniversary of the Effective Time (the "***Employment Period***"); provided that, unless earlier terminated, the Employment Period shall automatically renew on the first anniversary of the Effective Time and on each anniversary thereafter for a period of one (1) year unless either party shall give written notice of non-extension to the other party not later than sixty (60) days prior to the end of then-current Employment Period. The Company or Employee may terminate this Agreement and Employee's employment at any time during the Employment Period as provided in Section 4 hereof.

2. Position and Duties.

(a) During the Employment Period, Employee shall serve as the President of the Company, and shall have the usual and customary duties, responsibilities and authority of such position. Employee acknowledges and agrees that he shall perform his duties and responsibilities faithfully and to the best of his abilities in a businesslike manner and in accordance with the Company's Employee Handbook and Code of Business Conduct.

(b) Employee shall report to the Chief Executive Officer **(*"CEO")***, shall work on a full-time basis for the Company and shall devote his entire business time, attention, skills and energies to the business and affairs of the Company. During the Employment Period, Employee shall not engage in any business activity which, in the reasonable judgment of the CEO, conflicts with the duties of Employee hereunder, whether or not such activity is pursued for gain, profit or other pecuniary advantage; provided that, as long as such activities do not interfere with Employee's duties hereunder, Employee may (i) with the prior written approval of the Board and the CEO, serve on the board of one (1) for-profit company that does not compete with the Company (and Employee and the Board understand that Employee’s service on the Pier 1 board of directors shall terminate as soon as practicable), and (ii) participate in charitable, civic, educational, professional, community and industry affairs. Employee agrees that he shall promptly report any potential conflict in writing to the CEO, affirmatively disclosing any outside business opportunity that presents even the appearance of a conflict.

(c) The Company shall take such action as may be necessary to appoint Employee as a member of the Board of Directors of the Company (the “***Board***”), as of the Effective Time.

(d) Effective as of the Promotion Date (as defined in Section 3(k) hereof), Employee shall serve as President and Chief Executive Officer of the Company (or any successor entity), shall report to the Board, and shall have the usual and customary duties, responsibilities and authority of such position.

3. Base Salary and Benefits.

(a) Base Salary. During the Employment Period, Employee’s base salary shall be $900,000.00 per annum (the “***Base Salary***”), which shall be payable in regular installments in accordance with the Company’s general payroll practices. This annual Base Salary shall be prorated for 2020 based upon the Effective Time through the end of the calendar year. Annual compensation review and increases, if any, will be subject to approval by the Board.

(b) Annual Incentive Plan. During the Employment Period, Employee shall be enrolled in the Company’s Executive Short-Term Incentive Plan (the “***AIP***”) at the target rate of 85%, prorated for 2020 based on the period employed after the Effective Time. Although there is no guarantee of any bonus payout, achievement of financial targets established by the Board and personal objectives could yield a bonus with a maximum payout of 170% of the Base Salary. Any bonus under this section, if earned, will be paid in accordance with the terms of the AIP or successor plan.

(c) Three-Year Incentive Plan. At the first regular meeting of the Compensation Committee of the Board (the “***Compensation Committee***”) after the Effective Time, the Company will recommend that Employee be enrolled in the Company’s Executive Long-Term Incentive Plan. There is no guarantee of an award and the payout of the award is subject to achievement of the Company’s financial targets as determined by the Board. Employee’s participation and any award would be prorated for the 2018-2020, 2019-2021, and 2020-2022 cycles. If a payout is earned, payment will be in the form of performance units of Company stock, granted in accordance with the Company’s Stock Incentive Plan of 2016 or successor plan. All grants under this Section 3(c) are subject to Employee executing a grant agreement provided by the Company.

(d) Initial Equity Grants. At the first regular meeting of the Compensation Committee after the Effective Time, the Company will recommend that Employee be granted restricted stock units with a value at grant of $1 million. These units will vest 25% on each of the first four successive grant anniversary dates. The grant under this Section 3(d) is subject to Employee executing a grant agreement provided by the Company.

(e) Annual Equity Grants. At the first regular meeting of the Compensation Committee after the Effective Time, the Company will recommend that Employee be granted stock awards commensurate with his grade and position level. Awards may be prorated based on the Effective Time. Currently, restricted stock units vest 20%, 20%, 30% and 30% on each of the first four successive grant anniversary dates. All grants under this Section 3(e) are subject to Employee executing grant agreements provided by the Company.

(f) Sign-On Bonus. Employee shall receive a one-time signing bonus of $300,000 on the first payroll date following the Effective Time. If Employee's employment is terminated for Cause or he resigns without Good Reason, in either case before the first anniversary of the Effective Time, he shall immediately repay the full amount of such sign-on bonus multiplied by a fraction, the numerator of which is the number of days from the Effective Time through the date of termination and the denominator of which is 365.

(g) Vacation. During the Employment Period, Employee shall be entitled to four (4) weeks of paid vacation in accordance with Company policy.

(h) Expenses. The Company shall reimburse Employee for all reasonable expenses incurred by him in the course of performing his duties under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses ("***Business Expenses***"), subject to the Company's requirements with respect to reporting and documentation of such expenses. The Company shall pay or reimburse Employee's legal fees incurred in connection with the negotiation and execution of this Agreement, provided that evidence of such fees shall be provided to the Company and that the amount of such payment or reimbursement shall not exceed $10,000.

(i) Benefits. Employee will be eligible to participate in such health care, insurance, retirement, and other employee benefit plans as are generally made available by the Company to their employees, subject to the terms of said plan or plans. The terms of such plans are subject to change or termination at any time, with or without notice, at the discretion of the Company.

(j) Relocation. The Company will pay to relocate Employee to the Rockford/West Michigan area, in accordance with Tier 5 of the Company's standard relocation program. If Employee's employment is terminated for Cause or he resigns without Good Reason, in either case before the first anniversary of the Effective Time, he shall immediately repay the full amount of such relocation benefits. If Employee's employment is terminated for Cause or he resigns without Good Reason, in either case after the first anniversary of the Effective Time but before the second anniversary of the Effective Time, he shall immediately repay fifty percent (50%) of the full amount of such relocation benefits.

(k) Deferred Compensation Plan. If Employee is offered the position of Chief Executive Officer by March 8, 2022 (the "***Promotion Date***"), accepts such position, and is enrolled in the Company's Amended and Restated Deferred Compensation Plan, then for each year Employee is Chief Executive Officer Employee shall receive a Company contribution to such account in an amount determined by the Board to be fair and equitable.

4. **Termination.** The Employment Period shall terminate as follows.

(a) Termination by Employee without Good Reason. In the event that Employee terminates his employment for any reason other than for Good Reason, Employee must provide the Company sixty (60) days' advance written notice of such resignation. The Company shall have the right to waive the notice period and accept such resignation, effective immediately upon the Company's waiver of notice.

(b) Termination by Employee for Good Reason. Employee may terminate his employment hereunder for Good Reason. "***Good Reason***" means (i) a material diminution in Employee's duties under this Agreement or a reduction of Employee's title, (ii) a material breach by the Company of this Agreement, (iii) relocation of Employee's principal place of employment to a location that is more than fifty (50) miles from the Company's corporate headquarters or Waltham, Massachusetts office as of the Effective Time, without Executive's consent, (iv) the Company's failure to offer to promote Employee to the position of Chief Executive Officer, with an effective date on or before the Promotion Date, (v) termination of this Agreement under Section 1 by the Company serving a notice of nonextension or (vi) a reduction in the Base Salary, unless such reduction is part of an across the board reduction for senior executives of the Company; provided that any such action shall not constitute Good Reason unless (A) Employee provides written notice to the Company of any such action within thirty (30) days of the date on which such action first occurs and provides the Company with thirty (30) days to remedy such action (the "***Cure Period***"), (B) the Company fails to remedy such action within the Cure Period, and (C) Employee resigns within thirty (30) days of the expiration of the Cure Period

(c) Termination by the Company.

(i) Termination by the Company for Cause. The Company may terminate Employee's employment for Cause ("***Termination for Cause***"). "***Cause***" shall mean any of the following:

(1) Any intentional act of fraud, embezzlement, theft, dishonesty, misrepresentation or breach of fiduciary duty with respect to the Company or its subsidiaries;

(2) Employee's gross negligence or willful misconduct in the performance of his duties to the Company;

(3) Material failure or refusal to follow any reasonable directive of the Board or the officer to whom Employee reports, and if such failure and refusal is curable, if such failure or refusal is not cured within ten (10) days after the

Company's written notice to Employee of such failure or refusal;

(4) Employee's (1) breach of any noncompetition, nonsolicitation, confidentiality or other covenant with the Company under Exhibit A of this Agreement or otherwise; (2) material breach of any material written policy of the Company which if curable, is not cured within ten (10) days after the Company's written notice of such breach; or (3) material breach of this Agreement, which if curable, is not cured within ten (10) days after the Company's written notice of such breach; or

(5) Employee's conviction of or indictment for or entering of a guilty plea or plea of no contest or nolo contendere with respect to any felony or any crime involving an act of moral turpitude.

Notwithstanding the foregoing, Employee shall not be deemed to have been terminated for Cause unless and until the Company (1) provides Employee with a notice from the Board specifying the grounds for a Termination for Cause (and in the case of grounds arising under Section 4(c)(i)(3), providing an opportunity to cure the conduct if such conduct is curable within ten (10) days, and (2) a copy of a resolution adopted by an affirmative vote of not less than a majority of the independent directors of the Board at a meeting of the Board called and held for the purpose (after notice to Employee and an opportunity for Employee, with counsel, to be heard before the Board), finding that in the good faith opinion of the majority of the independent directors of the Board that Executive has been guilty of conduct set forth above, setting forth the particulars in detail. A determination of Cause by the Board shall not be binding upon or entitled to deference by any finder of fact in the event of a dispute, it being the intent of the parties that such finder of fact shall make an independent determination of whether the termination was for "Cause" as defined above.

The Company may terminate this Agreement pursuant to a Termination for Cause at any time immediately upon notice to Employee.

(ii)<u>Termination by the Company without Cause</u>. The Company may terminate Employee's employment without Cause (i.e. for any reason other than those described in Subsections 4(b)(i), and 4(c)) ("***Termination without Cause***") at any time upon written notice to Employee.

(d) Death and Disability. Employee's employment shall terminate immediately upon Employee's death and the Company may terminate this Agreement upon 30 days prior written notice to Employee if, by virtue of a physical or mental condition, Employee is unable to perform the essential functions of his work under this Agreement, with or without reasonable accommodation, for a period of 180 days in any 365 day period ("***Disability***").

(e) Obligations upon Termination.

(i)In the event of a resignation by Employee without Good Reason, as described in Subsection 4(a), all of the parties' respective rights and obligations hereunder shall immediately terminate upon the expiration of the notice period required under Section 4(a) or upon notice by the Company waiving such notice, except that (A) Employee's obligations and the Company's rights under Sections 5 through 9 of this Agreement shall survive such termination and (B) the Company shall pay to Employee only the accrued but unpaid Base Salary and any unreimbursed Business Expenses as of the date of termination (collectively, the "***Accrued Benefits***").

(ii)In the event of Employee's death, as described in Subsection 4(d), or a Termination for Cause, as described in Subsection 4(c)(i), all of the parties' respective rights and obligations hereunder shall immediately terminate in the case of death and terminate upon the effective date of such termination in the case of Termination for Cause pursuant to Subsection 4(c)(i), except that (A) Employee's obligations and the Company's rights under Sections 5 through 9 of this Agreement shall survive such termination and (B) the Company shall pay to Employee (or his estate, as applicable) only the Accrued Benefits.

(iii)In the event of a Termination without Cause, as described in Subsection 4(c)(ii), or Employee's resignation for Good Reason pursuant to Section 4(b), all of the parties' respective rights and obligations hereunder shall terminate upon the effective date of such termination pursuant to Subsection 4(c)(ii) or Subsection 4(b) as the case may be, except that

(A) Employee's obligations and the Company's rights under Sections 5 through 9 of this Agreement shall survive such termination;

(B) the Company shall pay to the Accrued Benefits;

(C) the Company shall pay Employee, as severance, an amount equal to twelve (12) months of Employee's then-current Base Salary (18 months in the event of a termination for Good Reason under Section 4(b)(iv)) payable in regular biweekly installments in accordance with the Company's general payroll practices, provided, however, that in the event Employee obtains other employment, then the payments under this clause (iii) (C) shall immediately be offset (but not below $0) by the amount of the base salary and guaranteed compensation, if any, from such other employment; and

(D) If enrolled in the Company's group health plan as of the date of termination, Employee will be eligible for continued health care coverage, as permitted under the federal Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). Provided Employee timely elects to continue receiving group medical coverage and/or dental coverage pursuant to COBRA, the Company shall pay for Employee's COBRA coverage for twelve (12) months after the date of termination (18 months in the event of a termination for Good Reason under Section 4(b)(iv)). The Company's obligation to pay for Employee's COBRA coverage, however, shall be reduced by the amount that Employee will pay toward such coverage, which shall be equal to the amount of Employee's medical and/or dental coverage premiums as of the date of termination. Employee will be required to pay Employee's share of the COBRA contributions directly to the Company's COBRA administrator each month. To the extent that Employee begins new employment on or before twelve (12) months after the date of termination, Employee shall immediately notify the Company of such employment. In the event Employee becomes eligible for coverage through a new employer, Employee shall elect such coverage. Upon Employee becoming eligible for such coverage, the Company's obligation to pay for COBRA coverage shall immediately cease.

(E) In the event of a termination for Good Reason under Section 4(b)(iv), or a Termination without Cause prior to the Promotion Date, the Company shall pay Employee an amount equal to the bonus Employee would have been eligible to receive at target performance for the fiscal year in which termination takes place, had Employee met the requirements of the Company's Annual Incentive Plan, multiplied by a fraction, the numerator of which is the number of days Employee is employed by the Company in such fiscal year through the date of termination and the denominator of which is 365.

Any payments under Sections (C), (D), or (E) are collectively referred to as the "***Severance Payment***"). The payment of the Severance Payment under this Subsection 4(e)(iii) shall be conditioned upon Employee's effective execution of a release of claims against the Company in a form reasonably satisfactory to the Company. The Company shall specify a period, not to exceed 45 days following termination, during which Employee may review and consider such release, provided that if such period spans two calendar years, then the Severance Payment shall not be made until the second calendar year, regardless of the year in which the release is signed and returned.

(iv) In the event of Disability, as described in Subsection 4(c), all of the parties' respective rights and obligations hereunder shall immediately terminate upon the effective date of such termination pursuant to Subsection 4(c), except that (A) Employee's obligations and the Company's rights under Sections 5 through 9 of this Agreement shall survive such termination; and (B) the Company shall pay to Employee the Accrued Benefits.

(v) Except as otherwise required by law (e.g., COBRA) or as specifically provided herein, all of Employee's rights to salary, severance, fringe benefits and bonuses hereunder (if any) shall cease upon termination for any reason.

(vi) Upon termination of Employee's employment hereunder for any reason, Employee shall promptly resign from all other positions with the Company and its affiliates.

(vii) Notwithstanding the foregoing, no benefits shall be payable pursuant to this Section 4(e) if Employee is entitled to benefits pursuant to the Executive Severance Agreement between him and the Company dated September 8, 2020.

(viii) In the event Employee is obligated to repay any amounts to the Company under this Agreement or otherwise, including but not limited to Sections 3(f) and 3(j) hereof, Employee hereby authorizes the Company to deduct such amounts from any sums the Company is obligated to pay Employee under this Agreement or otherwise, to the extent permitted by law (provided that, in all events, any such deduction shall comply with Section 409A of the Code to the extent applicable). Employee agrees to repay the Company for any balance remaining after any such deductions are made within thirty (30) days after termination. In the event Employee fails to repay the Company in accordance with the terms of this Agreement and the Company decides to take legal action to collect and recover such amount, Employee agrees to reimburse the Company for all costs incurred by the Company, including but not limited to reasonable attorneys' fees and court costs.

5. Confidentiality, Intellectual Property Protection, and Restrictive Covenants.

(a) Employee acknowledges and agrees that he will be subject to the confidentiality, intellectual property protection, restrictive covenant, and other provisions set forth in Exhibit A to this Agreement, the provisions of which are incorporated into this Agreement.

6. Enforcement.

(a) If Employee breaches or threatens to commit a breach of any of the covenants set forth in Exhibit A, then the Company shall have the right and remedy to have the covenants in Exhibit A specifically enforced against Employee, including temporary restraining orders and injunctions by any court of competent jurisdiction, in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security), or, in the case of a breach by Employee of the provisions of Exhibit A, require Employee to account for all compensation, profits, moneys, accruals, increments or other benefits derived or received as a result of any transactions constituting a breach of the covenants contained therein, it being agreed by Employee that any breach or threatened breach by Employee of Exhibit A would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. The prevailing party is entitled to its attorneys' fees and costs incurred in relation to any action addressing Exhibit A. In addition, the Company shall not be required to post any bond or other surety as a condition to the issuance of any temporary restraining order or injunction, and Employee irrevocably waives any such requirement of any statute or applicable law.

(b) If, during the enforcement of any or all of the covenants and provisions set forth in Exhibit A, any court of competent jurisdiction enters a final judgment that declares that the duration, scope, or area restrictions stated therein are unreasonable under circumstances then existing, are invalid, or are otherwise unenforceable, then the parties hereto agree that the maximum enforceable duration, scope, or area reasonable under such circumstances shall be substituted for the stated duration, scope, or area, and that the court making the determination of invalidity or unenforceability shall have the power to revise the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes the closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified to cover the maximum duration, scope, or area permitted by law.

7. Insurance. The Company may, for its own benefit, maintain "key man" life and disability insurance policies covering Employee. Employee will reasonably cooperate with the Company and provide such information or other assistance as the Company or insurance company may reasonably request in connection with the Company obtaining and maintaining such policies.

8. Representations and Warranties. Employee hereby represents and warrants to the Company that (a) the execution, delivery and performance of this Agreement by Employee does not and will not conflict with, breach, violate or cause a default under any agreement, contract or instrument to which Employee is a party or any judgment, order or decree to which Employee is subject, (b) Employee is not and will not be a party to or bound by any employment agreement, consulting agreement, non-compete agreement, confidentiality agreement or similar agreement with any other person or entity that is inconsistent with the provisions of this Agreement and (c) this Agreement is a valid and binding obligation of Employee.

9. Cooperation. In connection with any termination of Employee's employment with the Company, Employee agrees to assist the Company, as reasonably requested by the Company, in its succession planning efforts to facilitate a smooth transition of Employee's job responsibilities to Employee's successor. In addition, upon the receipt of reasonable notice from the Company (including through outside counsel), Employee agrees that while employed by the

Company and thereafter, Employee will respond and provide information with regard to matters of which Employee has knowledge as a result of Employee's employment with the Company, and will provide reasonable assistance to the Company, its affiliates and their respective representatives in defense of all claims that may be made against the Company or its affiliates, and will assist the Company and its affiliates in the prosecution of all claims that may be made by the Company or its affiliates, to the extent that such claims may relate to the period of Employee's employment with the Company. Employee agrees to promptly inform the Company if Employee becomes aware of any lawsuit involving such claims that may be filed or threatened against the Company or its affiliates. Employee also agrees to promptly inform the Company (to the extent that Employee is legally permitted to do so) if Employee is asked to assist in any investigation of the Company or its affiliates (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Company or its affiliates with respect to such investigation, and shall not do so unless legally required. Upon presentation of appropriate documentation, the Company shall pay or reimburse Employee for all reasonable out-of-pocket travel, duplicating or telephonic expenses incurred by the Executive in complying with this Section.

10. Notices. All notices, requests, demands, and other communications hereunder shall be in writing (which shall include electronic communications by email and facsimile) and shall be delivered (a) in person or by courier or overnight service, (b) mailed by first class registered or certified mail, postage prepaid, return receipt requested, or (c) by email or facsimile transmission, as follows:

If to Employee:

Brendan L. Hoffman
29 Hampton Road
Scarsdale, New York 10583

If to the Company:

Wolverine World Wide, Inc.
9341 Courtland Drive NE
Rockford, Michigan 49351
Attention: General Counsel

or to such other address as the parties hereto may designate in writing to the other in accordance with this Section 9. Any party may change the address to which notices are to be sent by giving written notice of such change of address to the other parties in the manner above provided for giving notice. If delivered personally or by courier, the date on which the notice, request, instruction or document is delivered shall be the date on which such delivery is made and if delivered by email, facsimile transmission or regular mail as aforesaid, the date on which such notice, request, instruction or document is received shall be the date of delivery.

11. General Provisions.

(a) Severability. It is the desire and intent of the parties hereto that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

(b) Complete Agreement. This Agreement represents the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes and cancels all other contracts, agreements, representations and understandings between the parties or their affiliates, whether written or oral, expressed or implied (including, without limitation, any offer letter); provided that the Executive Severance Agreement between Employee and the Company dated September 8, 2020 is not superseded hereby. This Agreement shall bind and inure to the benefit of each party, their parent companies, subsidiaries and affiliates, and each of their respective officers, directors, shareholders, investors, business associates, owners, partners, employees, representatives, agents, contractors and assigns. This Agreement may not be modified or amended except in writing signed by authorized representatives of both parties. The terms of this Agreement are the result of negotiations in which each party had the opportunity to review and revise any term herein. Consequently, this Agreement shall not be construed for or against either party as a result of the manner in which it was drafted.

(c) Successors and Assigns. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of Employee and the Company and its respective successors, permitted assigns, personal representatives, heirs and estates, as the case may be; provided, however, that the rights and obligations of Employee under this Agreement shall not be assigned without the prior written consent of the Company and the Company may assign the rights and obligations of this Agreement in its sole discretion, and such assignment by the Company will not constitute a termination under Section 4.

(d) Governing Law. THIS AGREEMENT, AND ALL CLAIMS, DISPUTES AND CONTROVERSIES RELATED HERETO OR ARISING HEREFROM, SHALL BE GOVERNED BY, AND CONSTRUED, APPLIED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MICHIGAN, WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES. NO DEFENSE, COUNTERCLAIM OR RIGHT OF SET-OFF GIVEN OR ALLOWED BY THE LAWS OF ANY OTHER STATE OR JURISDICTION, OR ARISING OUT OF THE ENACTMENT, MODIFICATION OR REPEAL OF ANY LAW, REGULATION, ORDINANCE OR DECREE OF ANY FOREIGN JURISDICTION, BE INTERPOSED IN ANY ACTION HEREON. THE PROVISIONS OF THIS AGREEMENT SHALL BE ENFORCEABLE NOTWITHSTANDING THE EXISTENCE OF ANY CLAIM

OR CAUSE OF ACTION OF EMPLOYEE AGAINST COMPANY, WHETHER PREDICATED ON THIS AGREEMENT OR OTHERWISE.

(e) Jurisdiction; Waiver of Jury Trial. EMPLOYEE HEREBY VOLUNTARILY, UNCONDITIONALLY AND IRREVOCABLY AGREES AND SUBMITS TO THE JURISDICTION OF THE FEDERAL AND STATE COURTS OF THE STATE OF MICHIGAN AND APPELLATE COURTS FROM ANY THEREOF FOR ANY CLAIM, ACTION OR DISPUTE ARISING OUT OF OR RELATED TO THIS AGREEMENT, AND WAIVES AND AGREES NOT TO ASSERT ANY DEFENSE THAT ANY SUCH COURT LACKS JURISDICTION, VENUE IS IMPROPER, OR THE FORUM IS INCONVENIENT. EMPLOYEE AND COMPANY HEREBY IRREVOCABLY AND KNOWINGLY WAIVE (TO THE FULLEST EXTENT PERMITTED BY LAW) ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING, WITHOUT LIMITATION, ANY COUNTERCLAIM) ARISING OUT OF THIS AGREEMENT OR ANY OTHER AGREEMENTS OR TRANSACTIONS RELATED HERETO OR THERETO, INCLUDING, WITHOUT LIMITATION, ANY ACTION OR PROCEEDING: (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH, OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS AGREEMENT. COMPANY AND EMPLOYEE AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT A JURY.

(f) Withholdings. All payments hereunder are subject to withholding for applicable federal, state and local income and employment taxes and any other deductions authorized by Employee or required by law.

(g) Amendment and Waiver. The provisions of this Agreement may be amended and waived only with the prior written consent of the Company and Employee, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement or any provision hereof.

(h) Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

(i) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(j) Business Days. If any time period for giving notice or taking action hereunder expires on a day which is not a business day in the State of Michigan, the time period for giving notice or taking action shall be automatically extended to the immediately following business day.

(k) Survival of Representations, Warranties and Agreements. All representations, warranties and agreements contained herein shall survive in perpetuity the consummation of the transactions contemplated hereby. For the avoidance of doubt, Employee's obligations under Exhibit A shall survive termination of this Agreement for any reason (including, without limitation, upon nonrenewal of the agreement by either party).

(l) Section 409A. To the extent applicable, this Agreement shall be interpreted in accordance with, and incorporate the terms and conditions required by, Section 409A of the Internal Revenue Code of 1986, as amended, and the Department of Treasury regulations and other interpretive guidelines issued thereunder (collectively, "Section 409A"). Notwithstanding any provision to the contrary in this Agreement: (i) no amount that constitutes deferred compensation as defined in Section 409A shall be payable in connection with Employee's termination of employment shall be paid to Employee unless the termination of Employee's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations, and if Employee incurs a termination of employment that does not constitute a separation from service, as so defined, Employee's right to such payments shall vest but payment shall be deferred until the date on which Employee incurs a separation from service, or die; (ii) if, on the date on which Employee incurs a separation from service, Employee is a "specified employee" as defined in Section 409A, any amount that constitutes deferred compensation and that becomes payable by reason of such separation from service (including any amount described in clause (i)) shall be deferred until the earlier of the first day of the seventh month following the month that includes the separation from service or Employee's death; (iii) for purposes of Section 409A, Employee's right to receive installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments; and (iv) to the extent that any reimbursement of expenses or in-kind benefits constitutes "deferred compensation" under Section 409A, such reimbursement or benefit shall be provided no later than December 31 of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year.

(m) Nouns and Pronouns. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice-versa.

(n) Construction. Where specific language (such as the word "including") is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit or restrict in any manner the construction of the general statement to which it relates. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party hereto.

(o) Attorneys' Fees. In the event of any dispute relating to this Agreement, the court shall award the prevailing party its reasonable legal fees and expenses it incurred in connection with such dispute.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date first written above.

WOLVERINE WORLD WIDE, INC.

By:	/s/ Blake W. Krueger
Name:	Blake W. Krueger
Title:	Chairman, CEO and President

BRENDAN L. HOFFMAN

/s/ Brendan L. Hoffman

EXHIBIT A

EMPLOYEE CONFIDENTIALITY, INTELLECTUAL PROPERTY PROTECTION, AND RESTRICTIVE COVENANT PROVISIONS

As a condition of Employee's new employment with the Company, receipt of the compensation now and hereafter paid to Employee by the Company, and access to the Company's Confidential Information (as defined herein), Employee agrees to the following provisions related to Employee Confidentiality, Intellectual Property Protection, and Restrictive Covenants.

1. NON-DISCLOSURE & CONFIDENTIALITY:

1.1 Definition of Confidential Information: The term "Confidential Information" includes, but is not limited to, all trade secrets and other confidential and/or proprietary knowledge, research, scientific data, or information of the Company and/or third parties with whom the Company does business, and shall include whether or not such information is reduced to writing or other tangible medium of expression, including – but not limited to – documents, or other media, including removable, portable storages devices, including but not limited to USB drives, blueprints, drawings, photographs, charts, graphs, notebooks, tapes or printouts, sound recordings, and other printed, typewritten, or handwritten documents (collectively "Company Documents"), whether such Company Documents have been prepared by the Company, you, or by others, and whether such Company Documents are stored or saved on Company servers, Company cloud storage, or personal devices, including:

(i) information concerning the Company's business, operations, affairs, financial condition, and projections;

(ii) compilations or lists of customer/prospective customers names, addresses, other identifying information (i.e. telexes, telephone numbers, fax numbers, email addresses, profiles, data, prospects, and site information;), and names of all suppliers, sources, buyers, lenders, banks, sellers, borrowers, trusts introduced to Employee by the Company;

(iii) information concerning products, product design, product development, sourcing, plans, policies, programs, procedures, sales estimates, accounting reports, departmental manuals, methods of and plans to obtain new business goodwill, financial information, bank recommendations or preferences, statistical and accounting data, ideas, marketing techniques, strategies, programs, work assignments and capabilities, purchasing information, price lists, pricing policies, quoting procedures, financial information, pricing strategies, and other confidential materials or information relating to the manner in which the Company develops and markets its products and services and otherwise conducts its business;

(iv) information concerning computer systems, management information systems, customized computer software, source codes, object codes, digital media, optical media, flow charts, drawings, diagrams, bills of material, equipment, prototypes, models, other tangible or intangible manifestations, databases, inventions, know-how, scientific or technical information, designs, processes, procedures, data, formulas, improvements, concepts, reports, or specifications related to Company's business;

(v) information regarding plans for research, research results, development of new products or acquisition of new/future products, product enhancements, research designs, techniques, or studies;

(vi) confidential profiles, data, prospects, and site information;

(vii) any and all ideas which are derived from or relate to Employee's access to or knowledge of any of the above enumerated materials and information owned by the Company or its customers; and

(viii) Notwithstanding the foregoing, Confidential Information excludes (a) information concerning Employee's wages, hours, benefits, and other terms and conditions of employment; (b) information publicly known or which becomes publicly known through no unauthorized act of Employee; (c) information disclosed to Employee by a third party not in violation of any obligations of this Agreement; (d) information required to be disclosed pursuant to a valid subpoena, provided that Employee provides the Company with timely written notice of such requirement and the Confidential Information to be disclosed as far in advance of its disclosure as is practicable, and, upon the Company's written request; or (e) information required to be disclosed pursuant to applicable law.

If you have any questions as to whether certain information is Confidential Information, consult the Company's General Counsel.

1.2 Business Relationships and Goodwill: The Company has a substantial and legitimate business interest in maintaining Confidential Information. Employee acknowledges and agrees that this Agreement creates a special relationship of trust and confidence between Employee and the Company as well as the Company's current and prospective customers, vendors, suppliers, and investors. Employee further acknowledges and agrees that there is a high risk and opportunity for any person given such responsibility and Confidential Information to unfairly disclose use and/or misappropriate the relationship and goodwill existing between the Company and the Company's current and prospective customers, vendors, suppliers, and investors. Employee therefore acknowledges and agrees that it is fair and reasonable for the Company to take steps to protect itself from the risk of such disclosure, use and/or misappropriation. Thus, at all times during Employee's work with the Company and thereafter, Employee will hold in strictest confidence and will not disclose, use, distribute, disseminate, publish, divulge, directly or indirectly, at any time during or after his or her employment, any of the Company's Confidential Information (as defined above), to any person, firm, corporation, association, or other business entity, either for their own or someone else's personal benefit except as such disclosure, use, distribution, dissemination, or publication may be required in connection with Employee's work for the Company or unless the Company expressly authorizes the same in writing.

1.3 Information Received from Third Parties: Employee understands that the Company has received, and in the future will receive from third parties, Confidential Information subject to a duty on the Company's part to maintain the confidentiality of that information and to use it only for certain limited purposes. During Employee's work with the Company and thereafter, Employee will hold all such information in the strictest confidence and will not disclose it to anyone (other than personnel of the Company who need to know such information in connection with their work for the Company). Employee further agrees not to use any such information except in connection with Employee's work for the Company unless expressly authorized by the Company in writing.

1.4 Former Employer Confidential Information: Employee agrees that during employment with the Company, Employee will not use, disclose, or induce the Company to use any proprietary information or trade secrets of any former employer or other person or entity with which Employee has an obligation to keep in confidence. Employee further agrees not to bring onto the Company's premises or transfer onto the Company's technology systems any unpublished document, proprietary information, or trade secrets belonging to any such third party unless disclosure to, and use by, the Company has been consented to in writing by such third party.

1.5 Identification and Protection of Confidential Information: Employee recognizes that failure to mark any of the Confidential Information as confidential or proprietary shall not affect its status as Confidential Information under the terms of this Agreement. Employee agrees that Employee shall keep all such Confidential Information confidential and agrees to take reasonable steps to ensure that information is not inadvertently disclosed to unauthorized persons.

1.6 Return of Confidential Information Upon Termination: All Company documents and electronic information shall be the sole property of the Company. Employee agrees that during Employee's employment by the Company, Employee will not remove or electronically transmit any Confidential Information from the business premises of the Company or deliver any Confidential Information to any person or entity outside the Company, except as Employee is required to do in connection with performing the duties of Employee's employment. Employee further agrees that, immediately upon the termination of Employee's employment by Employee or by the Company for any reason, or during Employee's employment if so requested by the Company, Employee will return within two (2) days all Confidential Information, apparatus, equipment, and other physical property, or any reproduction of such property, except only (i) Employee's personal copies of records relating to Employee's compensation; and (ii) Employee's copy of this Agreement.

1.7 Non-Disparagement: Employee agrees not to make, or cause any other person to make, any public statement that criticizes or disparages the Company or any of its subsidiaries, executive officers, employees, directors or products. Nothing set forth herein shall be interpreted to prohibit Employee from responding publicly to incorrect public statements, making truthful statements when required by law, subpoena, court order, or the like and/or from responding to any inquiry about this Agreement or its underlying facts and circumstances by any regulatory or investigatory organization and/or from making any truthful statements in the course of any litigation.

2. INTELLECTUAL PROPERTY PROTECTION

2.1 Definition of Intellectual Property: The term "Intellectual Property" means all tangible and intangible property including, without limitation, writings, works of authorship, literary property, copyrights, Moral Rights (as defined below) programs, software, programming tools and designs, trademarks, service marks, logos, trade names, trade secrets, patents, designs, algorithms, know-how, ideas, concepts, methods, inventions (whether or not fully developed or reduced to practice), formulae, processes, techniques, applications, domain names, universal locator addresses, telephone numbers and similar identifiers, and any other similar property, whether or not registered, relating to the Company's business.

2.2 Intellectual Property Disclosure and Assignment: It is hereby acknowledged that Employee's responsibilities may include the making of technical, product, and managerial contributions of value to the Company. Without further compensation, Employee will promptly and fully disclose in confidence to the Company all inventions, improvements, designs, original works of authorship, formulas, processes, compositions of matter, computer software programs, databases, mask works, and trade secrets that Employee makes or conceives or first reduces to practice or creates, either alone or jointly with others, during his/her employment and within the course and scope of Employee's employment, whether or not patentable, copyrightable or protectable as trade secrets (the "Inventions").

2.3 Pre-Existing Materials: Employee will inform the Company in writing before incorporating any inventions, discoveries, ideas, original works of authorship, developments, improvements, trade secrets and other proprietary information or intellectual property rights owned by Employee prior to, or separate from, Employee's employment with the Company ("Prior Inventions"), into any Invention or otherwise utilizing any such Prior Invention in the course of Employee's employment with the Company; and the Company is hereby granted a nonexclusive, royalty-free, perpetual, irrevocable, transferable worldwide license (with the right to grant and authorize sublicenses) to make, have made, use, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit such Prior Inventions, without restriction, including, without limitation, as part of or in connection with such Invention, and to practice any method related thereto. Employee will not incorporate any inventions, discoveries, ideas, original works of authorship, developments, improvements, trade secrets and other proprietary information or intellectual property rights owned by any third-party into any Invention without the third-party and Company's prior written permission. Furthermore, Employee represents and warrants that if any Prior Inventions are included on **Exhibit A**, they will not materially affect Employee's ability to perform all obligations under this Agreement.

2.4 Assistance: Employee shall assist the Company in obtaining and protecting the rights in any such Inventions as provided herein. Employee will also disclose to the Company's General Counsel all things that would be Inventions if made during Employee's employment, conceived, reduced to practice, or developed by Employee within six (6) months of the termination of Employee's employment with the Company or Employee's departure. Such disclosures shall be received by the Company in confidence (to the extent they are not assigned in (i) below) and do not extend the assignment made in Section (i) below. Employee will not disclose Inventions to any person outside the Company unless Employee is requested to do so by management personnel of the Company.

(i) Work for Hire; Assignment of Inventions: Employee acknowledges and agrees that any copyrightable works prepared by Employee during his or her employment and within the scope of Employee's employment are "works for hire" under the Copyright Act and that the Company will be considered the author and owner of such copyrightable works. Employee agrees that all Inventions created by Employee, alone or jointly with others, during his or her employment that: (a) are developed using equipment, supplies, facilities, or Confidential Information of the Company; (b) result from work performed by Employee for the Company; or (c) relate to the Company's business or actual or demonstrably anticipated research and development, will be the sole and exclusive property of the Company and hereby irrevocably assigns, and agrees to assign, to the Company all right, title, and interest in them (the "Assigned Inventions"). Employee agrees to make and maintain adequate and current written records, in a form specified by the Company, of all Assigned Inventions. Employee understands that this assignment is intended to, and does, extend to subject matters currently in existence, those in development, as well as those which have not yet been created. Employee acknowledges and agrees that subject to the limitations of this Section, if Employee uses any Prior Inventions in the scope of Employee's employment or includes them in any product or service of the Company, Employee hereby grants to the Company a perpetual, irrevocable, nonexclusive, worldwide, royalty-free license to use, disclose, make, sell, copy, distribute, modify and/or create works based on, perform or display such Prior Inventions and to sublicense third parties with the same rights.

(ii) Employee has provided to the Company's General Counsel (using the form attached as **Exhibit A**) a complete list of all Inventions or improvements to which Employee claims ownership and that Employee desires to remove from the operation of this Agreement, and Employee acknowledges and agrees that such list is complete. If no such list is provided to the Company's General Counsel, Employee represents that Employee has no such Inventions and improvements at the time of signing this Agreement. If, in the course of employment with the Company, Employee incorporates into a Company product, process, or machine such an existing Invention or improvement owned by Employee or in which Employee has an interest, the Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use, and sell such Invention or improvement as part of or in connection with such product, process or machine.

(iii) Assignment of Other Rights. In addition to the foregoing assignment of the Assigned Inventions to the Company, Employee hereby irrevocably transfers and assigns to the Company: (a) all worldwide patents, patent applications, copyrights, mask works, trade secrets, and other Intellectual Property rights, including but not limited to rights in databases, in any Assigned Inventions, along with any registrations of or applications to register such rights; and (b) any and all “Moral Rights” (as defined below) that Employee may have in or with respect to any Assigned Inventions. Employee also hereby forever waives and agrees never to assert any and all Moral Rights that Employee may have in or with respect to any Assigned Inventions, even after termination of Employee’s work on behalf of the Company. “Moral Rights” mean any rights to claim authorship of or credit on any Assigned Inventions, to object to or prevent the modification or destruction of any Assigned Inventions or Prior Inventions licensed to Company, or to withdraw from circulation or control the publication or distribution of any Assigned Inventions or Prior Inventions licensed to Company under this Section, and any similar right, existing under judicial or statutory law of any country or subdivision thereof in the world, or under any treaty, regardless of whether or not such right is denominated or generally referred to as a “Moral Right.” Employee forever hereby waives and agrees never to assert any Moral Rights Employee may have in any copyrightable work that is assigned to the Company as a result of this Paragraph, even after any termination of Employee’s employment with Company, regardless of whether the termination is voluntary or involuntary.

2.5 Notice Under Defend Trade Secrets Act of 2016: Employee is hereby notified in accordance with the Defend Trade Secrets Act of 2016 that he/she will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Employee is further notified that if he/she files a lawsuit for retaliation by an employer for reporting a suspected violation of law, he/she may disclose the employer's trade secrets to his/her attorney and use the trade secret information in the court proceeding if he/she: (x) files any document containing the trade secret under seal; and (y) does not disclose the trade secret, except pursuant to court order.

3. DUTY OF LOYALTY, NON-SOLICITATION & NON-COMPETITION

3.1 No Conflicts of Interest: Employee agrees that, during Employee’s employment with the Company, Employee will not engage in any other employment, occupation, consulting, or other business activity directly related to the business in which the Company is now involved or becomes involved during Employee’s employment without the Company’s written consent, nor will Employee engage in any other activities that conflict with Employee’s obligations to the Company including but not limited to assisting any person or entity in competing with the Company, in preparing to compete with the Company, or in hiring any employees or consultants of the Company. Notwithstanding the foregoing, this does not prevent Employee from owning 5% or less of the outstanding equity securities of any publicly traded company.

3.2 Corporate Opportunities: Employee acknowledges that during the course of Employee’s employment by the Company, Employee may be offered or become aware of business or investment opportunities in which Company may or might have an interest where the

Company does or may do business (a “Corporate Opportunity”) and that Employee has a duty to advise Company of any such Corporate Opportunities before acting upon them. Accordingly, Employee agrees that Employee will disclose to the Company any Corporate Opportunity offered to Employee or of which Employee becomes aware.

3.3 Non-Solicitation: Employee agrees that during Employee’s employment with the Company and for a period of one (1) year after the Separation Date (as defined below), Employee shall not, without the Company’s prior written consent, directly or indirectly: (a) solicit, hire, cause, or induce, or attempt to solicit, hire, cause, or induce any employee, agent, representative, or contractor, of the Company who was an employee, agent, representative, or contactor of the Company as of the Separation Date, to terminate such person’s relationship with the Company or to become employed by any business or person other than the Company; (b) authorize, condone, solicit, or assist in the taking of such actions by any third party, including but not limited to a recruiter or future employer of Employee; provided, however, that with respect to this Section, a general solicitation or advertisement not specifically targeted to or reasonably expected to specifically target such individuals will not be deemed in and of itself to violate the prohibitions of this Agreement; or (c) solicit sales, orders, or other business from, or conduct business with, any Company Customer (as defined below) with respect to products, services or business that are similar or competitive with the products, services or business of the Company; or (d) interfere or attempt to interfere with any transaction, agreement, prospective agreement, business opportunity or business relationship in which Company or any affiliate was involved during the two (2) years prior to the Separation Date. Employee acknowledges and agrees that the restriction in this Section is reasonable in light of Employee’s responsibilities with the Company and the scope of the Company’s business.

“Customer” is defined as any person, company, or business that placed a wholesale order for any of the Company’s products during the two (2) years prior to the Separation Date.

“Separation Date” is defined as the date Employee’s employment with the Company terminates.

3.4 Non-Competition: Employee agrees that for the period beginning on Employee’s hire date and continuing for one (1) year after the Separation Date (the “Restriction Period”), Employee will not engage, directly or indirectly, as an owner, manager, proprietor, contractor, more than five percent (5%) shareholder, partner, officer, employee or otherwise (collectively, “Employment”) where such Employment (a) involves any of the same or similar activities or functions as Employee performed, supervised, or managed for the Company at any time during the two (2) years preceding the Separation Date, and (b) is for or on behalf of any business that, directly or indirectly, (i) is engaged in the design, development, manufacturing, marketing, or retail or wholesale sale of footwear or apparel competitive with or substantially similar to the footwear or apparel designed, developed, manufactured, marketed, or sold by the Company, or (ii) is engaged in any line of business substantially similar to the lines of business engaged in by the Company (clauses (i) and (ii) each being a “Competitor”), where such Competitor did business in any state or country where the Company or its distributors, licensees, or partners did business during Employee’s employment. Employee acknowledges and agrees that the restriction in this Section is reasonable in light of Employee's responsibilities with the Company and the scope of the Company's business.

3.5 Tolling: In the event Employee breaches this covenant not to compete, the Restriction Period set forth in Section 3.4 shall automatically toll from the date of the first breach, and all subsequent breaches, until the resolution of the breach through private settlement, judicial or other action, including all appeals. The Restriction Period shall continue upon the effective date of any such judicial settlement or other resolution. The Company has the option, in its sole discretion, to waive (but only in writing) all or any portion of the Restriction Period or to limit the definition of Competitor. Employee agrees to disclose to the Company the name of any subsequent employer during the Restriction Period, wherever located and regardless of whether such employer is a Competitor.

Exhibit 31.1

CERTIFICATION

I, Blake W. Krueger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wolverine World Wide, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2020

/s/ Blake W. Krueger
Blake W. Krueger
Chairman, Chief Executive Officer and President
Wolverine World Wide, Inc.

Exhibit 31.2

CERTIFICATION

I, Michael D. Stornant, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wolverine World Wide, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2020

/s/ Michael D. Stornant
Michael D. Stornant
Senior Vice President, Chief Financial Officer and Treasurer
Wolverine World Wide, Inc.

Exhibit 32

CERTIFICATIONS

Solely for the purpose of complying with 18 U.S.C. § 1350, each of the undersigned hereby certifies in his capacity as an officer of Wolverine World Wide, Inc. (the "Company") that the Quarterly Report of the Company on Form 10-Q for the year-to-date ended September 26, 2020 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such report fairly presents, in all material respects, the financial condition of the Company at the end of such period and the results of operations of the Company for such period.

Date: November 5, 2020	/s/ Blake W. Krueger Blake W. Krueger Chairman, Chief Executive Officer and President (Principal Executive Officer)
	/s/ Michael D. Stornant Michael D. Stornant Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)