

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

**FORM 10-Q
AMENDMENT NO. 1**

TO

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the third twelve week accounting period ended September 11, 1999

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: 1-6024

WOLVERINE WORLD WIDE, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

38-1185150

(IRS Employer Identification No.)

9341 Courtland Drive, Rockford, Michigan

(Address of Principal Executive Offices)

49351

(Zip Code)

(616) 866-5500

(Registrant's Telephone Number, including Area Code)

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 the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

There were 44,418,335 shares of Common Stock, \$1 par value, outstanding as of October 19, 1999, of which 3,120,928 shares are held as Treasury Stock.

This Amendment No. 1 to Form 10-Q is filed solely for the purpose of correcting a typographical error in the Consolidated Statements of Cash Flows included in the financial statements filed as part of this report.

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS

(Thousands of dollars)

	September 11 1999 (Unaudited)	January 2, 1999 (Audited)	September 12, 1998 (Unaudited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 7,639	\$ 6,203	\$ 8,853
Accounts receivable, less allowances			
September 11, 1999 - \$6,656			
January 2, 1999 - \$5,896			
September 12, 1998 - \$8,621	181,525	152,110	159,100
Inventories:			
Finished products	145,253	113,923	131,467
Raw materials and work in process	44,720	53,116	46,067
	<u>189,973</u>	<u>167,039</u>	<u>177,534</u>
Other current assets	<u>10,139</u>	<u>15,626</u>	<u>10,381</u>
TOTAL CURRENT ASSETS	389,276	340,978	355,868
PROPERTY, PLANT & EQUIPMENT			
Gross cost	208,919	194,374	184,594
Less accumulated depreciation	92,436	83,239	80,274
	<u>116,483</u>	<u>111,135</u>	<u>104,320</u>
OTHER ASSETS	<u>68,518</u>	<u>69,365</u>	<u>60,881</u>
TOTAL ASSETS	<u>\$574,277</u>	<u>\$521,478</u>	<u>\$521,069</u>

See notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

CONSOLIDATED CONDENSED BALANCE SHEETS - Continued

(Thousands of dollars)

	September 11 1999 (Unaudited)	January 2, 1999 (Audited)	September 12, 1998 (Unaudited)
LIABILITIES AND STOCKHOLDERS' EQUITY			

CURRENT LIABILITIES			
Notes payable to banks	\$ 500	\$ 6,546	\$ 7,896
Accounts payable and other accrued liabilities	48,670	40,161	47,018
Current maturities of long-term debt	4,351	4,561	4,417
	<u>53,521</u>	<u>51,268</u>	<u>59,331</u>
TOTAL CURRENT LIABILITIES			
LONG-TERM DEBT (less current maturities)	196,745	157,089	153,505
OTHER NONCURRENT LIABILITIES	11,538	12,801	11,904
STOCKHOLDERS' EQUITY			
Common Stock - par value \$1, authorized 80,000,000 shares; shares issued (including shares in treasury):			
September 11, 1999 - 44,416,294 shares			
January 2, 1999 - 43,832,070 shares			
September 12, 1998 - 43,802,049 shares	44,416	43,832	43,802
Additional paid-in capital	77,195	72,825	71,324
Retained earnings	236,525	227,829	213,668
Accumulated other comprehensive income	(894)	(1,014)	(156)
Unearned compensation	(7,065)	(6,731)	(7,708)
Cost of shares in treasury:			
September 11, 1999 - 3,120,928 shares			
January 2, 1999 - 3,067,177 shares			
September 12, 1998 - 1,829,147 shares	(37,704)	(37,153)	(24,601)
	<u>312,473</u>	<u>300,320</u>	<u>296,329</u>
TOTAL STOCKHOLDERS' EQUITY			
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$574,277</u>	<u>\$521,478</u>	<u>\$521,069</u>

() - Denotes deduction.

See notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

**CONSOLIDATED CONDENSED STATEMENTS
OF OPERATIONS**

(Thousands of dollars, except shares and per share data)
(Unaudited)

	12 Weeks Ended		36 Weeks Ended	
	September 11, 1999	September 12, 1998	September 11, 1999	September 12, 1998
NET SALES AND OTHER OPERATING INCOME	\$170,482	\$164,486	\$438,119	\$455,002

Cost of products sold	119,025	112,766	308,314	309,653
GROSS MARGIN	51,457	51,720	129,805	145,349
Selling and administrative expenses	31,741	33,324	103,493	100,384
OPERATING INCOME	19,716	18,396	26,312	44,965
OTHER EXPENSES (INCOME):				
Interest expense	2,507	2,231	7,338	5,953
Interest income	(55)	(92)	(506)	(622)
Other - net	(9)	(27)	872	27
	2,443	2,166	7,704	5,358
EARNINGS BEFORE INCOME TAXES	17,273	16,230	18,608	39,607
Income taxes	5,752	5,399	6,196	13,233
NET EARNINGS	\$ 11,521	\$ 10,831	\$ 12,412	\$ 26,374
EARNINGS PER SHARE:				
Basic	\$.29	\$.26	\$.31	\$.63
Diluted	\$.28	\$.25	\$.30	\$.61
CASH DIVIDENDS PER SHARE	\$.0300	\$.0275	\$.0900	\$.0825
SHARES USED FOR NET EARNINGS PER SHARE COMPUTATION:				
Basic	40,364,820	42,069,486	40,215,686	42,039,921
Diluted	41,669,724	43,346,374	41,451,064	43,581,795

See notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Thousands of dollars)
(Unaudited)

36 Weeks Ended

September 11, 1999	September 12, 1998
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OPERATING ACTIVITIES		
Net earnings	\$12,412	\$26,374
Depreciation, amortization and other non-cash items	4,562	2,746
Unearned compensation	1,996	1,809
Russian restructuring charge	14,000	
Changes in operating assets and liabilities:		
Accounts receivable	(31,615)	(21,034)
Inventories	(29,834)	(33,700)
Other current assets	4,587	5,812
Accounts payable and other accrued liabilities	8,009	(10,209)
	<hr/>	<hr/>
NET CASH USED IN OPERATING ACTIVITIES	(15,883)	(28,202)
FINANCING ACTIVITIES		
Proceeds from long-term borrowings	60,004	85,429
Payments of long-term borrowings	(20,558)	(21,771)
Proceeds from short-term borrowings	1,080	11,734
Payments of short-term borrowings	(7,126)	(7,089)
Cash dividends	(3,716)	(3,500)
Purchase of common stock for treasury	(551)	(10,432)
Proceeds from shares issued under employee stock plans	1,892	(259)
	<hr/>	<hr/>
NET CASH PROVIDED BY FINANCING ACTIVITIES	31,025	54,112
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(14,545)	(21,788)
Net increase in notes receivable		(282)
Other	839	(755)
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	(13,706)	(22,825)
INCREASE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at beginning of the year	1,436	3,085
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	6,203	5,768
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
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	\$ 7,639	\$ 8,853
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() - Denotes reduction in cash and cash equivalents.
See notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
September 11, 1999 and September 12, 1998

NOTE A - Basis of Presentation

The accompanying unaudited consolidated condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting solely of normal recurring accruals) considered necessary for fair presentation have been included. For further information, refer to the consolidated financial statements and footnotes included in the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Certain amounts previously reported in 1998 have been reclassified to conform with the presentation used in 1999.

NOTE B - Fluctuations

The Company's sales are seasonal. Seasonal sales patterns and the fact that the fourth quarter has sixteen or seventeen weeks as compared to twelve weeks in each of the first three quarters cause significant differences in sales and earnings from quarter to quarter. These differences, however, have followed a consistent pattern each year.

NOTE C - Restructuring Charge

As a result of the continued deterioration in Russian economic and political conditions, the Company approved a plan in the second quarter of 1999 to close its Russian wholesale footwear business. In connection with the closure, the Company recorded a non-recurring, non-cash pre-tax charge to earnings of \$14.0 million, of which \$6.9 million is reflected in a write-down in cost of goods sold for inventory, \$6.6 million is reflected in selling and administrative expenses for goodwill, bad debt, severance, and other restructuring expenses, and \$0.5 million is reflected in other expense for the disposal of fixed assets. The \$14.0 million pre-tax restructuring charge resulted in a reduction of net earnings of \$0.23 per share after-tax for the twenty-four weeks ended June 19, 1999. As of September 11, 1999, \$7.0 million has been charged against the restructuring reserve. The Company expects to complete the liquidation and exit the business by the end of 1999.

NOTE D - Earnings Per Share

The following table sets forth the reconciliation of weighted average shares used in the computation of basic and diluted earnings per share:

	Quarter Ended		36-Weeks Ended	
	Sept 11, 1999	Sept 12, 1998	Sept 11, 1999	Sept 12, 1998
Weighted average shares outstanding	41,256,523	42,777,021	41,079,790	42,754,646
Adjustment for nonvested common stock	(891,703)	(707,535)	(864,104)	(714,725)
Denominator for basic earnings per share	40,364,820	42,069,486	40,215,686	42,039,921
Effect of dilutive stock options	413,201	569,353	371,274	827,149
Adjustment for nonvested common stock	891,703	707,535	864,104	714,725
Denominator for diluted earnings per share	41,669,724	43,346,374	41,451,064	43,581,795

NOTE E - Comprehensive Income

Total comprehensive income totaled \$11,831,000 and \$12,532,000 for the third quarter and 36-week period of 1999, respectively. Total comprehensive income was \$10,775,000 and \$26,286,000, for the third quarter and 36-week period of 1998, respectively. In addition to net earnings, comprehensive income included foreign currency translation gains of \$310,000 and \$120,000 for the third quarter and 36-week period of 1999, respectively, and losses of \$56,000 and \$88,000 for the third quarter and 36-week period of 1998, respectively.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS September 11, 1999 and September 12, 1998

NOTE F - Business Segments

The Company has one reportable segment that is engaged in the manufacture and marketing of branded footwear to the retail sector, including casual shoes, slippers, moccasins, dress shoes, boots, uniform shoes and work shoes. Revenues of this segment are derived from the sale of branded footwear products to external customers and the Company's retail division as well as royalty income from the licensing of the Company's trademarks and brand names to licensees. The business units comprising the branded footwear segment manufacture or source, market and distribute products in a similar manner. Branded footwear is distributed through wholesale channels and under licensing and distributor arrangements.

The other business units in the following table consist of the Company's retail, tannery and pigskin procurement operations. The Company operated 58 domestic retail stores at September 11, 1999 that sell Company-manufactured or sourced products and footwear manufactured by unaffiliated companies. The other business units distribute products through retail and wholesale channels.

There have been no changes in the way the Company measures segment profits or in its basis of segmentation since the year ended January 2, 1999.

Business segment information is as follows (in thousands of dollars):

**Branded Other
Footwear Businesses Corporate Consolidated**

Quarter ended September 11, 1999

Net sales and other operating income from external customers	\$154,028	\$16,454		\$170,482
Intersegment sales	4,898	1,384		6,282
Earnings before income taxes	14,785	1,517	\$971	17,273

36 weeks ended September 11, 1999

Net sales and other operating income from external customers	\$390,055	\$48,064		\$438,119
Intersegment sales	11,089	3,870		14,959
Earnings before income taxes	13,631	4,348	\$629	18,608

Quarter ended September 12, 1998

Net sales and other operating income from external customers	\$149,740	\$14,746		\$164,486
Intersegment sales	5,030	2,307		7,337
Earnings before income taxes	14,288	558	\$1,383	16,230

36 weeks ended September 12, 1998

Net sales and other operating income from external customers	\$406,211	\$48,791		\$455,002
Intersegment sales	13,569	6,394		19,963
Earnings before income taxes	34,043	3,942	\$1,622	39,607

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.
AND SUBSIDIARIES

November 2, 1999

Date

/s/ Stephen L. Gulis, Jr.

Stephen L. Gulis, Jr.
Executive Vice President, Chief Financial Officer and
Treasurer
(Principal Financial Officer and Duly Authorized Signatory
for Registrant)

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Document</u>
3.1	Certificate of Incorporation, as amended. Previously filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the period ended June 14, 1997. Here incorporated by reference.
3.2	Amended and Restated Bylaws. Previously filed as Exhibit 3.2 to the Company's Annual Report on Form 10-K for the fiscal year ended January 2, 1999. Here incorporated by reference.
27	Financial Data Schedule. Previously filed.