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 June 29, 2019

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 85,252,519 shares of common stock, $1 par value, outstanding as of July 26, 2019.

Table of Contents

PART I	Financial Information	4
Item 1.	Financial Statements	4
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	26
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	31
Item 4.	Controls and Procedures	32
PART II	Other Information	33
Item 1A.	Risk Factors	33
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	33
Item 6.	Exhibits	34
Signatures		35

FORWARD-LOOKING STATEMENTS

This document contains "forward-looking statements," which are statements relating to future, not past, events. 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:

- 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;
- changes in general economic conditions and/or the credit markets on the Company's distributors, suppliers and retailers;
- increases in the Company's effective tax rates;
- failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company;
- the risks of doing business in developing countries and politically or economically volatile areas;
- the ability to secure and protect owned intellectual property or use licensed intellectual property;
- the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health;
- the potential breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar 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; 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 29, 2018 (the "2018 Form 10-K"). 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 June 29, 2019	Quarter Ended June 30, 2018	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018
Revenue	**$ 568.6**	$ 566.9	**$ 1,092.0**	$ 1,101.0
Cost of goods sold	**338.2**	332.7	**641.4**	638.9
Gross profit	**230.4**	234.2	**450.6**	462.1
Selling, general and administrative expenses	**168.7**	163.3	**332.7**	327.0
Environmental and other related costs	**6.2**	2.8	**10.0**	5.5
Operating profit	**55.5**	68.1	**107.9**	129.6
Other expenses:				
Interest expense, net	**6.7**	5.7	**13.6**	12.9
Other income, net	**(1.0)**	(5.3)	**(2.3)**	(5.9)
Total other expenses	**5.7**	0.4	**11.3**	7.0
Earnings before income taxes	**49.8**	67.7	**96.6**	122.6
Income tax expense	**9.6**	12.2	**15.8**	20.5
Net earnings	**40.2**	55.5	**80.8**	102.1
Less: net earnings attributable to noncontrolling interests	**—**	0.2	**0.1**	0.1
Net earnings attributable to Wolverine World Wide, Inc.	**$ 40.2**	$ 55.3	**$ 80.7**	$ 102.0
Net earnings per share (see Note 3):				
Basic	**$ 0.45**	$ 0.58	**$ 0.89**	$ 1.07
Diluted	**$ 0.45**	$ 0.57	**$ 0.88**	$ 1.05
Comprehensive income	**$ 39.8**	$ 56.4	**$ 83.2**	$ 102.5
Less: comprehensive income (loss) attributable to noncontrolling interests	**(0.1)**	(0.1)	**0.2**	0.1
Comprehensive income attributable to Wolverine World Wide, Inc.	**$ 39.9**	$ 56.5	**$ 83.0**	$ 102.4
Cash dividends declared per share	**$ 0.10**	$ 0.08	**$ 0.20**	$ 0.16

See accompanying notes to consolidated condensed financial statements.

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

(In millions, except share data)	June 29, 2019	December 29, 2018	June 30, 2018
ASSETS			
Current assets:			
Cash and cash equivalents	**$ 116.5**	$ 143.1	$ 354.9
Accounts receivable, less allowances:			
June 29, 2019 – $25.6			
December 29, 2018 – $26.6			
June 30, 2018 – $29.4	**363.7**	361.2	297.2
Inventories:			
Finished products, net	**397.0**	301.4	281.1
Raw materials and work-in-process, net	**9.5**	16.2	12.7
Total inventories	**406.5**	317.6	293.8
Prepaid expenses and other current assets	**42.6**	45.8	36.3
Total current assets	**929.3**	867.7	982.2
Property, plant and equipment:			
Gross cost	**392.2**	381.8	390.3
Accumulated depreciation	**(254.0)**	(250.9)	(259.9)
Property, plant and equipment, net	**138.2**	130.9	130.4
Lease right-of-use assets, net	**157.8**	—	—
Other assets:			
Goodwill	**438.5**	424.4	427.0
Indefinite-lived intangibles	**604.5**	604.5	604.5
Amortizable intangibles, net	**82.0**	71.9	74.2
Deferred income taxes	**3.2**	3.1	4.1
Other	**89.4**	80.6	77.9
Total other assets	**1,217.6**	1,184.5	1,187.7
Total assets	**$ 2,442.9**	$ 2,183.1	$ 2,300.3

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)	June 29, 2019	December 29, 2018	June 30, 2018
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	**$ 212.7**	$ 202.3	$ 174.3
Accrued salaries and wages	**18.1**	31.9	24.0
Other accrued liabilities	**105.3**	106.4	126.4
Lease liabilities	**30.8**	—	—
Current maturities of long-term debt	**10.0**	7.5	45.0
Borrowings under revolving credit agreements and other short-term notes	**368.0**	125.0	1.3
Total current liabilities	**744.9**	473.1	371.0
Long-term debt, less current maturities	**433.0**	438.0	615.6
Accrued pension liabilities	**92.2**	92.0	121.6
Deferred income taxes	**111.2**	107.9	87.3
Lease liabilities, noncurrent	**146.0**	—	—
Other liabilities	**60.4**	80.5	89.5
Stockholders' equity:			
Wolverine World Wide, Inc. stockholders' equity:			
Common stock – par value $1, authorized 320,000,000 shares; shares issued (including shares in treasury):			
June 29, 2019 – 107,997,808 shares			
December 29, 2018 – 107,609,206 shares			
June 30, 2018 – 107,279,667 shares	**108.0**	107.6	107.3
Additional paid-in capital	**213.2**	201.4	177.1
Retained earnings	**1,232.8**	1,169.7	1,087.1
Accumulated other comprehensive loss	**(86.0)**	(88.3)	(82.9)
Cost of shares in treasury:			
June 29, 2019 – 22,741,032 shares			
December 29, 2018 – 15,905,681 shares			
June 30, 2018 – 12,217,481 shares	**(624.3)**	(404.4)	(279.0)
Total Wolverine World Wide, Inc. stockholders' equity	**843.7**	986.0	1,009.6
Noncontrolling interest	**11.5**	5.6	5.7
Total stockholders' equity	**855.2**	991.6	1,015.3
Total liabilities and stockholders' equity	**$ 2,442.9**	$ 2,183.1	$ 2,300.3

See accompanying notes to consolidated condensed financial statements.

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

(In millions)	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018
OPERATING ACTIVITIES		
Net earnings	**$ 80.8**	$ 102.1
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	**15.0**	15.1
Deferred income taxes	**(1.2)**	0.9
Stock-based compensation expense	**10.2**	14.2
Pension contribution	**—**	(20.7)
Pension and SERP expense	**2.8**	3.0
Cash payments related to restructuring costs	**(0.1)**	(4.3)
Environmental and other related costs, net of cash payments	**(3.5)**	(3.4)
Net loss on sale of assets	**—**	0.7
Other	**(9.3)**	7.2
Changes in operating assets and liabilities:		
Accounts receivable	**(3.9)**	(28.6)
Inventories	**(81.1)**	(18.8)
Other operating assets	**3.6**	7.8
Accounts payable	**10.2**	13.0
Income taxes payable	**(0.3)**	6.9
Other operating liabilities	**(19.3)**	(30.0)
Net cash provided by operating activities	**3.9**	65.1
INVESTING ACTIVITIES		
Business acquisition, net of cash acquired	**(15.1)**	—
Additions to property, plant and equipment	**(18.3)**	(8.3)
Proceeds from sale of assets	**—**	1.7
Investment in joint ventures	**(8.5)**	—
Other	**(0.5)**	(0.8)
Net cash used in investing activities	**(42.4)**	(7.4)
FINANCING ACTIVITIES		
Net borrowings under revolving credit agreements and other short-term notes	**243.0**	0.8
Payments on long-term debt	**(2.5)**	(122.6)
Payments of debt issuance costs	**(0.3)**	—
Cash dividends paid	**(16.8)**	(13.4)
Purchases of common stock for treasury	**(207.4)**	(49.9)
Employee taxes paid under stock-based compensation plans	**(16.5)**	(8.0)
Proceeds from the exercise of stock options	**5.8**	16.4
Contributions from noncontrolling interests	**5.7**	—
Net cash provided by (used in) financing activities	**11.0**	(176.7)
Effect of foreign exchange rate changes	**0.9**	(7.1)
Decrease in cash and cash equivalents	**(26.6)**	(126.1)
Cash and cash equivalents at beginning of the year	**143.1**	481.0
Cash and cash equivalents at end of the quarter	**$ 116.5**	$ 354.9

See accompanying notes to consolidated condensed financial statements.

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

	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 March 31, 2018	$ 106.8	$ 163.1	$ 1,039.4	$ (84.1)	$ (273.7)	$ 5.8	$ 957.3
Net earnings			55.3			0.2	55.5
Other comprehensive income (loss)				1.2		(0.3)	0.9
Shares issued for stock options exercised, net (471,729 shares)	0.5	7.8					8.3
Stock-based compensation expense		6.3					6.3
Cash dividends declared ($0.08 per share)			(7.6)				(7.6)
Issuance of treasury shares (1,186 shares)		(0.1)			0.1		—
Purchase of common stock for treasury (168,279 shares)					(5.3)		(5.3)
Purchases of shares under employee stock plans (2,165 shares)					(0.1)		(0.1)
Balance at June 30, 2018	$ 107.3	$ 177.1	$ 1,087.1	$ (82.9)	$ (279.0)	$ 5.7	$ 1,015.3
Balance at March 30, 2019	107.9	208.0	1,201.2	(85.7)	(520.0)	5.9	$ 917.3
Net earnings			40.2			—	40.2
Other comprehensive loss				(0.3)		(0.1)	(0.4)
Shares issued, net of shares forfeited under stock incentive plans (29,262 shares)	—	(0.1)					(0.1)
Shares issued for stock options exercised, net (86,790 shares)	0.1	1.6					1.7
Stock-based compensation expense		3.6					3.6
Cash dividends declared ($0.10 per share)			(8.6)				(8.6)
Issuance of treasury shares (2,062 shares)		0.1			0.1		0.2
Purchase of common stock for treasury (3,589,131 shares)					(104.3)		(104.3)
Purchases of shares under employee stock plans (1,579 shares)					(0.1)		(0.1)
Capital contribution from noncontrolling interest						5.7	5.7
Balance at June 29, 2019	$ 108.0	$ 213.2	$ 1,232.8	$ (86.0)	$ (624.3)	$ 11.5	$ 855.2

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Consolidated Condensed Statements of Stockholders' Equity – continued

(In millions, except share and per share data)	Wolverine World Wide, Inc. Stockholders' Equity: Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Non-controlling Interest	Total
Balance at December 30, 2017	$ 106.4	$ 149.2	$ 992.2	$ (75.2)	$ (223.0)	$ 5.6	$ 955.2
Net earnings			102.0			0.1	102.1
Other comprehensive income				0.4		—	0.4
Shares forfeited, net of shares issued under stock incentive plans (121,864 shares)	(0.1)	(1.7)					(1.8)
Shares issued for stock options exercised, net (996,082 shares)	1.0	15.4					16.4
Stock-based compensation expense		14.2					14.2
Cash dividends declared ($0.16 per share)			(15.2)				(15.2)
Issuance of treasury shares (3,001 shares)		—			0.1		0.1
Purchase of common stock for treasury (1,677,943 shares)					(49.9)		(49.9)
Purchases of shares under employee stock plans (197,398 shares)					(6.2)		(6.2)
Change in accounting principle			8.1	(8.1)			—
Balance at June 30, 2018	$ 107.3	$ 177.1	$ 1,087.1	$ (82.9)	$ (279.0)	$ 5.7	$ 1,015.3
Balance at December 29, 2018	$ 107.6	$ 201.4	$ 1,169.7	$ (88.3)	$ (404.4)	$ 5.6	$ 991.6
Net earnings			**80.7**			**0.1**	**80.8**
Other comprehensive income				**2.3**		**0.1**	**2.4**
Shares issued, net of shares forfeited under stock incentive plans (38,505 shares)	**—**	**(3.9)**					**(3.9)**
Shares issued for stock options exercised, net (350,097 shares)	**0.4**	**5.4**					**5.8**
Stock-based compensation expense		**10.2**					**10.2**
Cash dividends declared ($0.20 per share)			**(17.6)**				**(17.6)**
Issuance of treasury shares (4,000 shares)		**0.1**			**0.1**		**0.2**
Purchase of common stock for treasury (6,480,892 shares)					**(207.4)**		**(207.4)**
Purchases of shares under employee stock plans (358,459 shares)					**(12.6)**		**(12.6)**
Capital contribution from noncontrolling interest						**5.7**	**5.7**
Balance at June 29, 2019	**$ 108.0**	**$ 213.2**	**$ 1,232.8**	**$ (86.0)**	**$ (624.3)**	**$ 11.5**	**$ 855.2**

See accompanying notes to consolidated condensed financial statements.

WOLVERINE WORLD WIDE, INC. AND SUBSIDIARIES
Notes to Consolidated Condensed Financial Statements
Quarters Ended June 29, 2019 and June 30, 2018
(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; children's 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 and through licensing and distribution arrangements with third parties. 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 2018 Form 10-K.

As described in Note 2, the Company adopted ASU 2016-02, *Leases*, at the beginning of the first quarter of fiscal 2019. Under the modified retrospective method, comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. As described in Note 16, the Company realigned certain brands into a new operating segment during the first quarter of fiscal 2019. All prior period disclosures have been restated to reflect the new reportable operating segments.

Fiscal Year

The Company's fiscal year is the 52 or 53-week period that ends on the Saturday nearest to December 31. Fiscal years 2019 and 2018 both have 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

The Company's business is subject to seasonal influences that can cause significant differences in revenue, earnings and cash flows from quarter to quarter; however, the differences have followed a consistent pattern in recent years.

2. NEW ACCOUNTING STANDARDS

The Financial Accounting Standards Board ("FASB") issued the following Accounting Standards Updates ("ASU") that the Company has adopted during fiscal 2019. 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 2016-02, *Leases* (as amended by ASUs 2018-01, 2018-10, 2018-11, 2018-20 and 2019-01)	The core principle is that a lessee shall recognize a lease liability in its statement of financial position for the present value of all future lease payments. A lessee would also recognize a right-of-use asset representing its right to use the underlying asset for the lease term. Under a new transition method, a reporting entity will apply the new lease requirements as of the effective date and continue to report comparative periods presented in the financial statements under GAAP in effect during the comparable periods.	The Company adopted ASU 2016-02 at the beginning of the first quarter using the modified retrospective approach and elected the package of practical expedients for its existing leases. The Company recognized a lease liability of $178.1 million, which was equal to the present value of the future lease payments for its portfolio of operating leases. The Company recognized a right-of-use asset of $157.3 million, which was equal to the lease liabilities adjusted for the balance of accrued rent and unamortized lease incentives as of the effective date. The adoption of ASU 2016-02 did not have a material impact on the Company's results of operations or cash flows. See Note 8 for additional information on the adoption of this standard and disclosures regarding the Company's leases.

The FASB has issued the following ASU that has not yet been adopted by the Company. The following is a summary of the planned adoption period and anticipated impact of adopting this new standard.

Standard	Description	Planned Period of Adoption	Effect on the Financial Statements or Other Significant Matters
ASU 2016-13, *Measurement of Credit Losses on Financial Instruments* (as amended by ASU 2018-19)	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.	Q1 2020	The Company is evaluating the impacts of the new standard on its existing financial instruments, including trade receivables.

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.

(In millions, except per share data)	Quarter Ended June 29, 2019	Quarter Ended June 30, 2018	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018
Numerator:				
Net earnings attributable to Wolverine World Wide, Inc.	**$ 40.2**	$ 55.3	**$ 80.7**	$ 102.0
Adjustment for earnings allocated to non-vested restricted common stock	**(0.8)**	(1.2)	**(1.6)**	(2.2)
Net earnings used in calculating basic earnings per share	**39.4**	54.1	**79.1**	99.8
Adjustment for earnings reallocated from non-vested restricted common stock	**—**	—	**0.1**	0.1
Net earnings used in calculating diluted earnings per share	**$ 39.4**	$ 54.1	**$ 79.2**	$ 99.9
Denominator:				
Weighted average shares outstanding	**87.4**	94.9	**89.2**	95.3
Adjustment for non-vested restricted common stock	**(0.5)**	(1.8)	**(0.8)**	(1.9)
Shares used in calculating basic earnings per share	**86.9**	93.1	**88.4**	93.4
Effect of dilutive stock options	**1.4**	1.9	**1.7**	1.9
Shares used in calculating diluted earnings per share	**88.3**	95.0	**90.1**	95.3
Net earnings per share:				
Basic	**$ 0.45**	$ 0.58	**$ 0.89**	$ 1.07
Diluted	**$ 0.45**	$ 0.57	**$ 0.88**	$ 1.05

For the quarter and year-to-date ended June 29, 2019, 134,549 and 38,932 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 June 30, 2018, 104,144 and 107,203 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:

(In millions)	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018
Goodwill balance at beginning of the year	$ 424.4	$ 429.8
Acquisition of a business (see Note 17)	**12.0**	—
Foreign currency translation effects	**2.1**	(2.8)
Goodwill balance at end of the quarter	**$ 438.5**	$ 427.0

The Company's indefinite-lived intangible assets, which comprise trade names and trademarks, totaled $604.5 million as of June 29, 2019, December 29, 2018 and June 30, 2018. The carrying value of the Company's *Sperry*® trade name was $518.2 million as of June 29, 2019. If the operating results for *Sperry*® were to decline in future periods compared to current projections, the Company may need to record a non-cash impairment charge.

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 2019. Under the agreement, up to $150.0 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. The fair value of this obligation resulted in a nominal servicing liability as of the end of the second quarter of 2018. For receivables sold under the agreement, 90% of the stated amount is paid for in cash to the Company at the time of sale, with the remainder paid to the Company at the completion of the collection process. During the third quarter of fiscal 2018, the Company discontinued selling accounts receivables under the agreement. The Company continued to service the outstanding receivables until they were collected.

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)	June 30, 2018	
Accounts receivable sold	$ 111.6	$ 224.2
Fees charged	0.6	1.1

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. This program reduced the Company's accounts receivable by $58.6 million as of June 30, 2018.

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 holds agreements to license symbolic intellectual property with minimum guarantees or fixed consideration. The Company has $36.9 million of remaining fixed transaction price under its license agreements as of June 29, 2019, 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 operating 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 June 29, 2019			Quarter Ended June 30, 2018		
(In millions)	Wholesale	Consumer-Direct	Total	Wholesale	Consumer-Direct	Total
Wolverine Michigan Group	**$ 277.3**	**$ 40.9**	**$ 318.2**	$ 279.6	$ 34.5	$ 314.1
Wolverine Boston Group	**191.7**	**39.0**	**230.7**	199.4	31.7	231.1
Other	**18.4**	**1.3**	**19.7**	19.1	2.6	21.7
Total	**$ 487.4**	**$ 81.2**	**$ 568.6**	$ 498.1	$ 68.8	$ 566.9

	Year-To-Date Ended June 29, 2019			Year-To-Date Ended June 30, 2018		
(In millions)	Wholesale	Consumer-Direct	Total	Wholesale	Consumer-Direct	Total
Wolverine Michigan Group	**$ 549.6**	**$ 71.3**	**$ 620.9**	$ 551.1	$ 58.9	$ 610.0
Wolverine Boston Group	**367.2**	**68.3**	**435.5**	393.6	56.5	450.1
Other	**33.4**	**2.2**	**35.6**	36.9	4.0	40.9
Total	**$ 950.2**	**$ 141.8**	**$ 1,092.0**	$ 981.6	$ 119.4	$ 1,101.0

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)	June 29, 2019	December 29, 2018	June 30, 2018
Product returns reserve	$ 10.5	$ 13.6	$ 12.8
Customer rebates liability	10.2	12.8	10.2
Customer markdowns reserve	4.8	4.0	6.7
Other sales incentives reserves	1.9	2.3	2.5
Customer advances liability	4.1	3.8	7.5

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)	June 29, 2019	December 29, 2018	June 30, 2018
Term Loan A, due December 6, 2023	$ 197.5	$ 200.0	$ 415.6
Senior Notes, 5.000% interest, due September 1, 2026	250.0	250.0	250.0
Borrowings under revolving credit agreements and other short-term notes	368.0	125.0	1.3
Capital lease obligation	—	0.4	0.4
Unamortized deferred financing costs	(4.5)	(4.9)	(5.4)
Total debt	$ 811.0	$ 570.5	$ 661.9

On December 6, 2018, the Company amended its credit agreement (as amended, the "Credit Agreement"). The Credit Agreement includes 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. The Credit Agreement'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 Credit Agreement are met. Term Loan A requires quarterly principal payments with a balloon payment due on December 6, 2023. The scheduled principal payments due over the next 12 months total $10.0 million as of June 29, 2019 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 Credit Agreement. 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 $3.9 million, $2.5 million and $2.5 million as of June 29, 2019, December 29, 2018 and June 30, 2018, 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 0.750%, 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 1.750% (all capitalized terms used in this sentence are as defined in the Credit Agreement). 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 June 29, 2019, Term Loan A and the Revolving Credit Facility had weighted-average interest rates of 3.34% and 3.66%, respectively.

The obligations of the Company pursuant to the Credit Agreement 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 Credit Agreement 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 Credit Agreement requires compliance with the following financial covenants: a maximum Consolidated Leverage Ratio; a maximum Consolidated Secured Leverage Ratio; and a minimum Consolidated Interest Coverage Ratio (all capitalized terms used in this paragraph are as defined in the Credit Agreement). As of June 29, 2019, the Company was in compliance with all covenants and performance ratios under the Credit Agreement.

The Company has $250.0 million of senior notes outstanding that are due on September 1, 2026 (the "Senior Notes"). The Senior Notes bear interest at 5.000% with the related interest payments due semi-annually. The Senior Notes 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. There were no borrowings against this facility as of June 29, 2019 and December 29, 2018 and $1.3 million as of June 30, 2018.

Prior to fiscal 2019, the Company had a capital lease obligation. As a result of the adoption of ASU 2016-02, *Leases,* the capital lease is now classified as a financing lease and is no longer included in long term debt.

The Company included in interest expense the amortization of deferred financing costs of $0.4 million and $0.8 million for the quarter and year-to-date ended June 29, 2019, respectively. The Company included in interest expense the amortization of deferred financing costs of $0.6 million and $1.6 million for the quarter and year-to-date ended June 30, 2018, respectively.

8. LEASES

The Company adopted ASU 2016-02, *Leases*, at the beginning of the first quarter of fiscal 2019 using the modified retrospective approach applied to all leases as of the date of application. The Company elected the package of practical expedients for leases existing as of the effective date under which it did not reassess whether contracts contain leases under the new definition of a lease, the lease classification or whether previously capitalized initial direct costs would qualify for capitalization under ASU 2016-02. In addition, the Company did not elect the hindsight practical expedient for considering judgments and estimates relating to its existing leases such as determining the remaining lease term.

Description of 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.

Accounting for Leases

Under FASB ASC Topic 842, *Leases*, the Company has elected the practical expedient to account for lease components and nonlease components associated with individual leases as a single lease component for all of its leases. In addition, the Company has elected to account for multiple lease components as a single lease component. The Company's leases may include variable lease costs such as payments based on changes to an index, payments based on a percentage of retail store sales, and maintenance, utilities, shared marketing or other service costs that are paid directly to the lessor under terms of the lease. The Company recognizes variable lease payments when the amounts are incurred and determinable. The Company has elected to account for leases less than one year as short-term leases and accordingly does not recognize a right-of-use asset or lease liability for these leases. The Company recognizes rent expense on a straight-line basis over the lease term.

The Company subleases certain portions of leased offices and distribution centers that exceed the Company's current operational needs. Since the Company utilizes the majority of the leased space and retains the obligation to the lessor, the underlying leases continue to be accounted for as operating leases. Sublease income is recognized on a straight-line basis over the term of the sublease, and beginning in fiscal 2019, is recognized in Other income, net on the consolidated condensed statements of operations and comprehensive income.

The Company recognizes a lease liability in current and noncurrent liabilities equal to the present value of the fixed future lease payments using an incremental borrowing rate as of the commencement date of each lease. The incremental borrowing rate is based on interest rate that the Company would normally pay to borrow on a collateralized basis over a similar term and amount equal to the lease payments. The weighted-average discount rate for operating leases as of June 29, 2019 is 5.1%. The Company also recognizes a right-of-use asset, which is equal to the lease liability as of June 29, 2019 adjusted for the remaining balance of accrued rent and unamortized lease incentives.

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

	Quarter Ended	Year-To-Date Ended
(In millions)	June 29, 2019	
Operating lease cost	**$ 8.2**	**$ 16.2**
Variable lease cost	**3.8**	**7.3**
Short-term lease cost	**0.4**	**0.6**
Sublease income	**(0.9)**	**(1.9)**
Total lease cost	**$ 11.5**	**$ 22.2**

The weighted-average remaining lease term for operating leases as of June 29, 2019 is 10.5 years. Future undiscounted cash flows for operating leases for the fiscal periods subsequent to June 29, 2019 are as follows:

(In millions)	Operating Leases
Remainder of 2019	$ 15.0
2020	29.6
2021	27.6
2022	25.2
2023	18.6
Thereafter	114.9
Total future payments	230.9
Less: imputed interest	54.1
Recognized lease liability	$ 176.8

The Company made cash payments of $18.0 million for operating lease liabilities during the year-to-date ended June 29, 2019. During the year-to-date ended June 29, 2019, the Company entered into new or amended leases that resulted in the noncash recognition of right-of-use assets and lease liabilities of $12.0 million. In addition, the Company entered into real estate leases which will commence subsequent to June 29, 2019 with future undiscounted rental payments of $1.8 million. The Company has a financing lease with future payments of $0.3 million and a remaining term of 2.6 years.

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 468 days, 524 days and 531 days, as of June 29, 2019, December 29, 2018 and June 30, 2018, respectively. 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) ("AOCI") within stockholders' equity. The Company also utilizes foreign currency forward exchange 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 July 13, 2020. 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 debt. The notional amount 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 borrowings, 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 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 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 will pay 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 AOCI, offsetting the currency translation adjustment related to the underlying net investment that is also recorded in AOCI. 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)	**June 29, 2019**	December 29, 2018	June 30, 2018
Foreign exchange contracts:			
Hedge contracts	**$ 238.1**	$ 220.3	$ 209.6
Non-hedge contracts	**8.5**	4.8	—
Interest rate swaps	**141.9**	181.3	395.5
Cross currency swap	**79.8**	95.8	106.4

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

(In millions)	**June 29, 2019**	December 29, 2018	June 30, 2018
Financial assets:			
Foreign exchange contracts - hedge	**$ 4.3**	$ 8.7	$ 6.0
Interest rate swaps	**—**	1.6	3.2
Financial liabilities:			
Foreign exchange contracts - hedge	**$ (0.1)**	$ —	$ (0.2)
Interest rate swaps	**(0.2)**	—	—
Cross currency swap	**(5.3)**	(8.2)	(12.4)

10. STOCK-BASED COMPENSATION

The Company recognized compensation expense of $3.6 million and $10.2 million, and related income tax benefits of $0.7 million and $2.0 million, for grants under its stock-based compensation plans for the quarter and year-to-date ended June 29, 2019, respectively. The Company recognized compensation expense of $6.3 million and $14.2 million, and related income tax benefits of $1.3 million and $2.9 million, for grants under its stock-based compensation plans for the quarter and year-to-date ended June 30, 2018, 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 June 29, 2019, the Company issued 531,383 restricted awards at a weighted average grant date fair value of $35.01 per award. During the year-to-date ended June 30, 2018, the Company issued 570,027 restricted awards at a weighted average grant date fair value of $31.60 per award.

During the year-to-date ended June 29, 2019, the Company issued 329,089 performance awards at a weighted average grant date fair value of $37.65 per award. During the year-to-date ended June 30, 2018, the Company issued 346,331 performance awards at a weighted average grant date fair value of $31.79 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)	**June 29, 2019**	June 30, 2018	**June 29, 2019**	June 30, 2018
Service cost pertaining to benefits earned during the period	**$ 1.4**	$ 1.5	**$ 2.8**	$ 3.1
Interest cost on projected benefit obligations	**3.8**	4.2	**7.6**	8.3
Expected return on pension assets	**(4.5)**	(5.1)	**(8.9)**	(10.1)
Net amortization loss	**0.7**	0.9	**1.3**	1.7
Net pension expense	**$ 1.4**	$ 1.5	**$ 2.8**	$ 3.0

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. The Company made contributions to its pension plans of $20.7 million for the year-to-date ended June 30, 2018.

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 June 29, 2019 were 19.4% and 16.4%, respectively. The Company's effective tax rates for the quarter and year-to-date ended June 30, 2018 were 18.1% and 16.8%, respectively. The increase in the effective tax rate for the quarter is due primarily to the favorable impact that pension contributions had on the prior year tax rate. The decrease in the effective year-to-date tax rate is primarily due to a shift in income between tax 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 2014 in the majority of tax jurisdictions.

13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Accumulated other comprehensive income (loss) ("AOCI") 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.

Table of Contents

The change in AOCI during the quarters ended June 29, 2019 and June 30, 2018 is as follows:

(In millions)	Foreign currency translation adjustments	Derivatives	Pension adjustments	Total
Balance of AOCI as of March 31, 2018	$ (32.9)	$ (17.3)	$ (33.9)	$ (84.1)
Other comprehensive income (loss) before reclassifications [1]	(12.8)	10.8	—	(2.0)
Amounts reclassified from AOCI	—	3.2 [2]	0.9 [3]	4.1
Income tax expense (benefit)	—	(0.7)	(0.2)	(0.9)
Net reclassifications	—	2.5	0.7	3.2
Net current-period other comprehensive income (loss) [1]	(12.8)	13.3	0.7	1.2
Balance of AOCI as of June 30, 2018	$ (45.7)	$ (4.0)	$ (33.2)	$ (82.9)
Balance of AOCI as of March 30, 2019	$ (50.6)	$ 0.6	$ (35.7)	$ (85.7)
Other comprehensive income (loss) before reclassifications [1]	**2.6**	**(2.1)**	—	**0.5**
Amounts reclassified from AOCI	—	**(1.7)** [2]	**0.7** [3]	**(1.0)**
Income tax expense (benefit)	—	**0.4**	**(0.2)**	**0.2**
Net reclassifications	—	**(1.3)**	**0.5**	**(0.8)**
Net current-period other comprehensive income (loss) [1]	**2.6**	**(3.4)**	**0.5**	**(0.3)**
Balance of AOCI as of June 29, 2019	**$ (48.0)**	**$ (2.8)**	**$ (35.2)**	**$ (86.0)**

(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 interest rate swaps 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 AOCI during the year-to-dates ended June 29, 2019 and June 30, 2019 is as follows:

(In millions)	Foreign currency translation adjustments	Derivatives	Pension adjustments	Total
Balance of AOCI as of December 30, 2017	$ (32.7)	$ (13.9)	$ (28.6)	$ (75.2)
Other comprehensive income (loss) before reclassifications [1]	(13.0)	7.6	—	(5.4)
Amounts reclassified from AOCI	—	5.9 [2]	1.7 [3]	7.6
Income tax expense (benefit)	—	(1.5)	(0.3)	(1.8)
Net reclassifications	—	4.4	1.4	5.8
Net current-period other comprehensive income (loss) [1]	(13.0)	12.0	1.4	0.4
Reclassifications to retained earnings [4]	—	(2.1)	(6.0)	(8.1)
Balance of AOCI as of June 30, 2018	$ (45.7)	$ (4.0)	$ (33.2)	$ (82.9)
Balance of AOCI as of December 29, 2018	$ (53.0)	$ 0.9	$ (36.2)	$ (88.3)
Other comprehensive income (loss) before reclassifications [1]	**5.0**	**(0.8)**	—	**4.2**
Amounts reclassified from AOCI	—	**(3.5)** [2]	**1.3** [3]	**(2.2)**
Income tax expense (benefit)	—	**0.6**	**(0.3)**	**0.3**
Net reclassifications	—	**(2.9)**	**1.0**	**(1.9)**
Net current-period other comprehensive income (loss) [1]	**5.0**	**(3.7)**	**1.0**	**2.3**
Balance of AOCI as of June 29, 2019	**$ (48.0)**	**$ (2.8)**	**$ (35.2)**	**$ (86.0)**

(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 interest rate swaps and the cross-currency swap are included in interest expense.

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

(4) Amounts reclassified to retained earnings upon adoption of ASU 2017-12, *Targeted Improvements to Accounting for Hedging Activities* and ASU 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*.

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)	**June 29, 2019**	December 29, 2018	June 30, 2018
Financial assets:			
Derivatives	**$ 4.3**	$ 10.3	$ 9.2
Financial liabilities:			
Derivatives	**$ (5.6)**	$ (8.2)	$ (12.6)

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, excluding capital leases, are as follows:

(In millions)	**June 29, 2019**	December 29, 2018	June 30, 2018
Carrying value	**$ 811.0**	$ 570.1	$ 661.5
Fair value	**828.9**	566.8	663.4

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 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, stainresistant, 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™.

The United States Centers for Disease Control and Prevention has concluded that studies of the health effects of PFOA and PFOS are “inconsistent and inconclusive,” but 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. Lifetime health advisories, while not enforceable, serve as guidance and are benchmarks for determining if concentrations of chemicals in tap water from public utilities are safe for public consumption. In January 2018, the Michigan Department of Environmental Quality (“MDEQ”) 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 April 22, 2019, the MDEQ was reorganized into the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”).

The Company has been served with two regulatory actions including a civil action filed by the EGLE under the federal Resource Conservation and Recovery Act of 1976 (“RCRA”), Part 201 of the Michigan Natural Resources and Environmental Protection Act (“NREPA”) and Part 31 of NREPA, and a Unilateral Administrative Order issued by the EPA under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”) Section 106. The Company has also been served with individual lawsuits and three putative class action lawsuits.

Civil and Regulatory Actions of EGLE and EPA

On January 10, 2018, the EGLE filed a civil action against the Company under the federal RCRA and Parts 201 and 31 of 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 have intervened in the EGLE Action alleging claims under RCRA, CERCLA, Part 201 of NREPA, and common law nuisance.

The EGLE Action seeks to require the Company to investigate the location and extent of PFAS in the environment, develop and implement plans for the continued sampling and analysis of impacts to drinking water wells from PFAS released or disposed of by the Company, and provide alternative drinking water supplies to homes impacted by PFAS for which the Company is allegedly responsible. The EGLE Action further seeks to require the Company to connect users of drinking water wells to municipal drinking water supplies to address allegedly unacceptable risks posed by a release or threat of release of PFAS attributable to the Company. On December 19, 2018, the Company filed a third-party complaint against the 3M Company seeking, among other things, recovery of the Company’s remediation and other costs incurred in defense of the EGLE Action.

The Company is working with the EGLE to analyze the Tannery property, House Street site and other relevant disposal sites, test nearby residential drinking water wells and coordinate communications to impacted homeowners. The Company’s current remediation efforts have included, among other items, providing alternate drinking water to impacted homes, including bottled water and water filtration systems, sampling residential wells, installing and sampling monitoring wells, collecting and analyzing soil and sediment samples and designing and installing a groundwater extraction and treatment system at the Tannery property. The Company continues to collect and analyze this data on a continuing basis with the EGLE and EPA.

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 pertains to the Company's Tannery and House Street sites and directs the Company to conduct specified removal actions to abate actual or threatened releases of hazardous substances at or from the sites. On February 1, 2018, the Company filed its Notice of Intent to Comply with the EPA Order, which outlined the Company’s position on certain aspects of the proposed Order. In its response, the Company has agreed to comply with the terms of the Order, but has identified inaccuracies and shortcomings in the Order that challenge the legal basis for the Order. Pursuant to the Order, in May and June of 2018, the Company submitted to the EPA its final removal work plans for performing the removal actions at the Tannery and House Street sites, and the Company has completed the items set forth in those work plans. The Company has also provided the EPA with other submittals required by the Order, including a Sampling and Analysis Plan, Health and Safety Plan, Quality Assurance Project Plan, monthly progress reports and other technical reports.

The EPA sent the Company a letter on April 29, 2019, identifying certain “time critical” removal and other actions to be taken at the Company’s Tannery and House Street sites pursuant to the Order. On June 3, 2019, the Company submitted to the EPA its draft work plans for performing these actions, but also identified certain aspects that the Company believes are arbitrary, capricious and exceed the EPA’s authority.

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. In addition, the current owner of a former landfill and gravel mining operation has sued the Company seeking damages and cost recovery for property damage allegedly caused by the Company's disposal of tannery waste containing PFAS (collectively with the individual lawsuits and putative class actions, the "Litigation Matters"). Assessing potential liability with respect to the Litigation Matters at this time, however, 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 Wolverine's defense and remediation efforts.

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 and intellectual property. 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 and liabilities that have been 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 an environmental remediation reserve established by the Company:

	Year-To-Date Ended	
(In millions)	**June 29, 2019**	June 30, 2018
Remediation liability at beginning of the year	**$ 22.6**	$ 31.1
Changes in estimate	**—**	0.9
Amounts paid	**(5.3)**	(6.0)
Remediation liability at the end of the quarter	**$ 17.3**	$ 26.0

The reserve balance as of June 29, 2019 comprises $7.9 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 $9.4 million expected to be paid over the course of up to 28 years, recorded in other liabilities.

The Company establishes a reserve for estimated environmental remediation costs based upon the evaluation of currently-available facts with respect to each individual site. The liabilities are recognized on an undiscounted basis when they are probable and reasonably estimable, generally no later than the completion of feasibility studies or the Company's commitment to a plan of action. Liabilities for estimated costs of environmental remediation are based primarily upon third-party environmental studies, other internal analysis and the extent of the contamination and the nature of required remedial actions at each site. No estimated recoveries from legacy insurance policies or other responsible parties are included in the reserve.

The Company's remediation activity at the Tannery property, House Street site and other relevant disposal sites 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, 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

Minimum future royalty and advertising obligations for the fiscal periods subsequent to June 29, 2019 under the terms of certain licenses held by the Company are as follows:

(In millions)	2019	2020	2021	2022	2023	Thereafter
Minimum royalties	$ 0.5	$ 1.5	$ 1.7	$ 1.8	$ —	$ —
Minimum advertising	1.2	3.2	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 $1.0 million for the quarter and year-to-date ended June 29, 2019, respectively. For the quarter and year-to-date ended June 30, 2018, the Company incurred royalty expense in accordance with these agreements of $0.6 million and $1.1 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 $1.5 million and $1.9 million for the quarter and year-to-date ended June 29, 2019, respectively. For the quarter and year-to-date ended June 30, 2018, the Company incurred advertising expense in accordance with these agreements of $0.9 million and $1.7 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 operating segments. During the first quarter of fiscal 2019, the brands that were formerly aligned with the Wolverine Outdoor & Lifestyle Group and Wolverine Heritage Group were realigned into a new operating segment, the Wolverine Michigan Group. The change was to align our brands under key leadership to best support innovation and efficiency. All prior-period disclosures have been restated to reflect these new reportable operating 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 operating 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 environmental and other related costs. The Company's operating segments are determined based on how the Company internally reports and evaluates financial information used to make operating decisions. The operating segment managers all report directly to the chief operating decision maker.

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

(In millions)	Quarter Ended		Year-To-Date Ended	
	June 29, 2019	June 30, 2018	**June 29, 2019**	June 30, 2018
Revenue:				
Wolverine Michigan Group	**$ 318.2**	$ 314.1	**$ 620.9**	$ 610.0
Wolverine Boston Group	**230.7**	231.1	**435.5**	450.1
Other	**19.7**	21.7	**35.6**	40.9
Total	**$ 568.6**	$ 566.9	**$ 1,092.0**	$ 1,101.0
Operating profit (loss):				
Wolverine Michigan Group	**$ 59.3**	$ 60.5	**$ 117.8**	$ 125.8
Wolverine Boston Group	**37.2**	45.6	**69.2**	82.4
Other	**1.5**	1.6	**2.3**	2.5
Corporate	**(42.5)**	(39.6)	**(81.4)**	(81.1)
Total	**$ 55.5**	$ 68.1	**$ 107.9**	$ 129.6

(In millions)	**June 29, 2019**	December 29, 2018	June 30, 2018
Total assets:			
Wolverine Michigan Group	**$ 774.9**	$ 626.8	$ 574.3
Wolverine Boston Group	**1,426.2**	1,282.2	1,247.1
Other	**43.6**	50.0	44.5
Corporate	**198.2**	224.1	434.4
Total	**$ 2,442.9**	$ 2,183.1	$ 2,300.3
Goodwill:			
Wolverine Michigan Group	**$ 143.8**	$ 143.8	$ 144.7
Wolverine Boston Group	**294.7**	280.6	282.3
Total	**$ 438.5**	$ 424.4	$ 427.0

17. BUSINESS ACQUISITIONS

On April 30, 2019, the Company acquired assets and assumed liabilities from Sportlab S.R.L, a distributor of *Saucony*® footwear in Italy. Total purchase consideration of $25.1 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 is based on sales activity from the date of the acquisition through the remainder of fiscal 2019 and is valued based on the order backlog at the acquisition date. The maximum amount of contingent consideration for which the Company would be liable is $5.7 million and if earned, would be 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	**5.4**
Total purchase consideration	**$ 25.1**

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*® distribution business are included in the Company's consolidated condensed results of operations beginning April 30, 2019, and are included in the Wolverine Boston Group reporting group for segment reporting purposes.

The preliminary allocation of the purchase price through June 29, 2019 was:

(In millions)	Initial Valuation
Accounts receivable	**$ 1.8**
Inventories	**6.5**
Goodwill	**12.0**
Amortizable intangibles	**12.9**
Total assets acquired	**33.2**
Deferred income taxes	**3.6**
Other liabilities	**4.5**
Total liabilities assumed	**8.1**
Net assets acquired	**$ 25.1**

The allocation of the purchase price above is considered preliminary and was based upon valuation information available and estimates and assumptions made at June 29, 2019. The Company is still in the process of verifying data and finalizing information related to the valuation and recording of identifiable intangible assets, uncertain tax positions, remaining contingent consideration and the resulting effects on the amount of recorded goodwill.

The excess of the purchase price over the fair value of the net assets acquired, amounting to $12.0 million, was preliminarily recorded as goodwill in the condensed consolidated balance sheet and was assigned to the Wolverine Boston Group operating 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 has have estimated useful lives 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***." 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, 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. As of June 29, 2019, the Company operated 89 retail stores in the United States and Canada and 41 consumer-direct websites.

2019 FINANCIAL OVERVIEW

- Revenue was $568.6 million for the second quarter of 2019, representing growth of 0.3% compared to the second quarter of 2018. The change in revenue reflected a 1.3% increase from the Michigan Group and a 0.2% decline from the Boston Group. Changes in foreign exchange rates decreased revenue by $4.6 million during the second quarter of 2019.
- Gross margin was 40.5% in the second quarter of 2019 compared to 41.3% in the second quarter of 2018.
- The effective tax rates in the second quarters of 2019 and 2018 were 19.4% and 18.1%, respectively.
- Diluted earnings per share for the second quarters of 2019 and 2018 were $0.45 per share and $0.57 per share, respectively.
- The Company declared cash dividends of $0.10 per share and $0.08 per share in the second quarters of 2019 and 2018, respectively.
- The Company repurchased $104.3 million of shares in the second quarter of 2019 at an average price of $29.07, and has $220.2 million available under its current $400.0 million share repurchase program.

Table of Contents

RESULTS OF OPERATIONS

(In millions, except per share data)	Quarter Ended June 29, 2019	Quarter Ended June 30, 2018	Percent Change	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018	Percent Change
Revenue	**$ 568.6**	$ 566.9	0.3 %	**$ 1,092.0**	$ 1,101.0	(0.8)%
Cost of goods sold	**338.2**	332.7	1.7	**641.4**	638.9	0.4
Gross profit	**230.4**	234.2	(1.6)	**450.6**	462.1	(2.5)
Selling, general and administrative expenses	**168.7**	163.3	3.3	**332.7**	327.0	1.7
Environmental and other related costs	**6.2**	2.8	121.4	**10.0**	5.5	81.8
Operating profit	**55.5**	68.1	(18.5)	**107.9**	129.6	(16.7)
Interest expense, net	**6.7**	5.7	17.5	**13.6**	12.9	5.4
Other income, net	**(1.0)**	(5.3)	81.1	**(2.3)**	(5.9)	61.0
Earnings before income taxes	**49.8**	67.7	(26.4)	**96.6**	122.6	(21.2)
Income tax expense	**9.6**	12.2	(21.3)	**15.8**	20.5	(22.9)
Net earnings	**40.2**	55.5	(27.6)	**80.8**	102.1	(20.9)
Less: net earnings attributable to noncontrolling interests	**—**	0.2	(100.0)	**0.1**	0.1	—
Net earnings attributable to Wolverine World Wide, Inc.	**$ 40.2**	$ 55.3	(27.3)%	**$ 80.7**	$ 102.0	(20.9)%
Diluted earnings per share	**$ 0.45**	$ 0.57	(21.1)%	**$ 0.88**	$ 1.05	(16.2)%

REVENUE

Revenue was $568.6 million for the second quarter of 2019, representing an increase of 0.3% compared to the second quarter of 2018. The change in revenue reflected a 1.3% increase from the Michigan Group and a 0.2% decline from the Boston Group. The Michigan Group's revenue increase was driven by mid-twenties growth from *Cat*® due to strength in Asia Pacific and business model changes for certain international customers and mid-single digit growth from Merrell due to stronger wholesale demand in the U.S. and strength in eCommerce. This was partially offset by a mid-teens decline for Chaco due to the late start to Spring and high inventory levels at retailers. The Boston Group's revenue decrease was driven by lower wholesale demand for *Saucony*®. Changes in foreign exchange rates decreased revenue by $4.6 million during the second quarter of 2019.

Revenue was $1,092.0 million in the first two quarters of 2019, a decrease of 0.8% from the first two quarters of 2018. The change in revenue reflected an increase of 1.8% from the Michigan Group and a decline of 3.2% from the Boston Group. The Michigan Group's revenue increase was driven by high-twenties growth from *Cat*® due to strength in the Work category, business model changes for certain international customers and growth in Asia Pacific. This was partially offset by a low-teens decline for Chaco due to the late start to Spring and high inventory levels at retailers. The Boston Group's revenue decrease was driven by lower demand for *Saucony*® and lower boat shoe demand for *Sperry*®. Changes in foreign exchange rates decreased revenue by $10.4 million during the first two quarters of 2019.

GROSS MARGIN

Gross margin was 40.5% in the second quarter of 2019 compared to 41.3% in the second quarter of 2018. Gross margin was 41.3% in the first two quarters of 2019 compared to 42.0% during the first two quarters of 2018. The decrease in the current year periods resulted from unfavorable product mix and business model changes for certain international wholesale customers, partially offset by a higher mix of higher gross margin consumer-direct revenue and reduced markdowns.

OPERATING EXPENSES

Operating expenses increased $8.8 million, from $166.1 million in the second quarter of 2018 to $174.9 million in the second quarter of 2019. The increase was driven by higher general and administrative costs ($5.8 million), higher environmental and other related costs ($3.4 million), higher advertising costs ($2.1 million), higher distribution costs ($1.8 million), higher business development costs ($1.4 million) and higher selling costs ($1.0 million), partially offset by lower employee incentive compensation costs ($6.9 million).

Operating expenses increased $10.2 million, from $332.5 million in the first two quarters of 2018 to $342.7 million in the first two quarters of 2019. The increase is due to higher environmental and other related costs ($4.5 million), higher distribution costs

($4.0 million), higher general and administrative costs ($2.7 million), higher business development costs ($2.4 million), higher selling costs ($1.8 million), higher product development costs ($1.2 million) and higher advertising costs ($1.7 million), partially offset by lower employee incentive compensation costs ($8.0 million).

INTEREST, OTHER AND INCOME TAXES

Net interest expense was $6.7 million in the second quarter of 2019 compared to $5.7 million in the second quarter of 2018. Net interest expense was $13.6 million in the first two quarters of 2019 compared to $12.9 million in the first two quarters of 2018. The increase during the second quarter of 2019 was driven by greater average debt balances in 2019. Additionally, interest income was $0.6 million lower in second quarter of 2019 as a result of lower cash balances compared to 2018. The increase in net interest expense for the first two quarters of 2019 was due to lower interest income ($2.3 million) as a result of lower cash balances, partially offset by reduced interest expense. The lower interest expense was due to lower amortization expense on deferred financing costs ($0.8 million) and lower average debt principal balances, resulting in lower interest expense ($0.2 million).

Other income was $1.0 million in the second quarter of 2019, compared to $5.3 million in the second quarter of 2018. The decrease was driven by a foreign currency remeasurement gain in 2018 ($5.9 million), partially offset by the inclusion of sublease income in 2019 ($0.9 million) due to the implementation of ASU 2016-02 during the first quarter of 2019. Other income was $2.3 million in the first two quarters of 2019 compared to $5.9 million in the first two quarters of 2018. This decline was driven by the foreign currency remeasurement gain, which was partially offset by the inclusion of sublease income in 2019 due to the implementation of ASU 2016-02 during the first quarter of 2019 ($1.9 million).

The effective tax rates in the second quarters of 2019 and 2018 were 19.4% and 18.1%, respectively. The effective tax rates in the first two quarters of 2019 and 2018 were 16.4% and 16.8%, respectively. The increase in the effective tax rate for the second quarter is due primarily to the favorable impact of pension contributions on the prior-year tax rate.

REPORTABLE OPERATING SEGMENTS

The Company’s portfolio of brands is organized into the following two operating segments, which the Company has determined to be reportable operating segments. During the first quarter of 2019, the brands that were formerly aligned with the Wolverine Outdoor & Lifestyle Group and Wolverine Heritage Group were realigned into a new operating segment, the Wolverine Michigan Group. The change was to align our brands under key leadership to best support innovation and efficiency. All prior period disclosures have been restated to reflect these new reportable operating 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 environmental and other related costs.

The reportable operating segment results are as follows:

(In millions)	Quarter Ended June 29, 2019	Quarter Ended June 30, 2018	Quarter Ended Change	Quarter Ended Percent Change	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018	Year-To-Date Ended Change	Year-To-Date Ended Percent Change
REVENUE								
Wolverine Michigan Group	**$ 318.2**	$ 314.1	$ 4.1	1.3 %	**$ 620.9**	$ 610.0	$ 10.9	1.8 %
Wolverine Boston Group	**230.7**	231.1	(0.4)	(0.2)	**435.5**	450.1	(14.6)	(3.2)
Other	**19.7**	21.7	(2.0)	(9.2)	**35.6**	40.9	(5.3)	(13.0)
Total	**$ 568.6**	$ 566.9	$ 1.7	0.3 %	**$ 1,092.0**	$ 1,101.0	$ (9.0)	(0.8)%

(In millions)	Quarter Ended June 29, 2019	Quarter Ended June 30, 2018	Quarter Ended Change	Quarter Ended Percent Change	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018	Year-To-Date Ended Change	Year-To-Date Ended Percent Change
OPERATING PROFIT (LOSS)								
Wolverine Michigan Group	**$ 59.3**	$ 60.5	$ (1.2)	(2.0)%	**$ 117.8**	$ 125.8	$ (8.0)	(6.4)%
Wolverine Boston Group	**37.2**	45.6	(8.4)	(18.4)	**69.2**	82.4	(13.2)	(16.0)
Other	**1.5**	1.6	(0.1)	(6.3)	**2.3**	2.5	(0.2)	(8.0)
Corporate	**(42.5)**	(39.6)	(2.9)	(7.3)	**(81.4)**	(81.1)	(0.3)	(0.4)
Total	**$ 55.5**	$ 68.1	$ (12.6)	(18.5)%	**$ 107.9**	$ 129.6	$ (21.7)	(16.7)%

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

Wolverine Michigan Group

The Michigan Group's revenue increased $4.1 million, or 1.3%, in the second quarter of 2019 compared to the second quarter of 2018. The revenue increase included mid-twenties growth from *Cat*® and mid-single digit growth from *Merrell*®, partially offset by mid-teens decline from *Chaco*® and low-teens declines from *Wolverine*®, *Hush Puppies*® and *Bates*®. The Michigan Group's revenue increased $10.9 million, or 1.8%, in the first two quarters of 2019 compared to the first two quarters of 2018. This growth included a high twenties increase from *Cat*® and a low-single digit increase from *Merrell*®, partially offset by a low-teens decline from *Chaco*®, a mid-teens decline from *Hush Puppies*® and a high-single digit decline from *Bates*®. The *Cat*® increase was due to strength in the Work category, business model changes for certain international customers and growth in Asia Pacific. The *Merrell*® increase was due to increased wholesale demand in the U.S. and high-twenties eCommerce growth. The *Chaco*® decline was due to the late start to Spring and high inventory levels at retailers. The *Bates*® decline was due to declines in wholesale demand in the U.S. and softness in at-once orders. The *Hush Puppies*® decline was due to late deliveries of product and declines in Latin America and Canada during the second quarter of 2019.

The Michigan Group's operating profit declined $1.2 million in the second quarter of 2019 compared to the second quarter of 2018. This decline was due to higher distribution and product development costs, partially offset by the group's higher revenue. In the first two quarters of 2019, the Michigan Group's operating profit declined $8.0 million, or 6.4%, compared to the first two quarters of 2018. The change was driven by an 80 basis point decline in gross margin and a $7.7 million increase in selling, general and administrative costs. The gross margin decline was due to the bankruptcy of an international distributor and business model changes. The increase in selling, general and administrative expenses was due to higher distribution and product development costs and new *Merrell*® stores.

Wolverine Boston Group

The Boston Group's revenue declined by $0.4 million, or 0.2%, during the second quarter of 2019 compared to the second quarter of 2018. This decline was due to a mid-single digit decline in *Saucony*® and a low-single digit decline in *Sperry*®, partially offset by mid-teens growth in *Keds*®. The Boston Group's revenue declined by $14.6 million, or 3.2%, during the first two quarters of 2019 compared to the first two quarters of 2018. This resulted from a low-teens decline from *Saucony*® and a mid-single digit decline from *Sperry*®, partially offset by a high-teens increase from *Keds*®. The *Keds*® increase was due to growth in the U.S. wholesale business and strong eCommerce growth. The *Sperry*® decrease was due to declines in the boat shoe and vulcanized categories, partially offset by eCommerce growth. The *Saucony*® decline was due to lower demand for products in the U.S. wholesale channel and in certain international third-party markets.

The Boston Group's operating profit declined $8.4 million in the second quarter of 2019 compared to the second quarter of 2018. This was due to a 90 basis point gross margin decline as a result of greater promotional activity and a higher close-out provision. Additionally, selling, general and administrative expenses increased by $6.3 million due to the acquisition of a *Saucony®* distributor in Italy and higher distribution and advertising costs. The Boston Group's operating profit declined $13.2 million in the first two quarters of 2019 compared to the first two quarters of 2018. This was due to the revenue decline and higher selling, general and administrative expense due to the acquisition of a *Saucony®* distributor in Italy and higher distribution and advertising costs.

Other

The Other category's revenue decreased $2.0 million, or 9.2%, in the second quarter of 2019 compared to the second quarter of 2018. This decline reflected lower revenue from multi-branded retail stores and third-party sourcing commission revenue. During the first two quarters of 2019, the Other category's revenue declined $5.3 million, or 13.0%, compared to the first two quarters of 2018. This change reflected mid-forties declines from third-party sourcing commission revenue and multi-branded stores, and a mid-single digit decline in the performance leathers business due to lower demand.

LIQUIDITY AND CAPITAL RESOURCES

(In millions)	June 29, 2019	December 29, 2018	June 30, 2018
Cash and cash equivalents	**$ 116.5**	$ 143.1	$ 354.9
Debt [1]	**811.0**	570.5	661.9
Available revolving credit facility [2]	**428.1**	672.5	597.5

(1) Prior to 2019, Debt includes capital lease obligations.

(2) Amounts are net of both borrowings, if any, and outstanding standby letters of credit in accordance with the terms of the Revolving Credit Facility.

(In millions)	Year-To-Date Ended June 29, 2019	Year-To-Date Ended June 30, 2018
Net cash provided by operating activities	**$ 3.9**	$ 65.1
Net cash used in investing activities	**(42.4)**	(7.4)
Net cash provided by (used in) financing activities	**11.0**	(176.7)
Additions to property, plant and equipment	**18.3**	8.3
Depreciation and amortization	**15.0**	15.1

Liquidity

Cash and cash equivalents of $116.5 million as of June 29, 2019 were $238.4 million lower compared to June 30, 2018. The decrease is due primarily to share repurchases of $332.2 million, increased investing activity of $57.2 million and voluntary contributions to the Company's pension plans of $40.0 million, partially offset by increased net borrowings under the Credit Agreement of $149.9 million and cash provided by operating activities during the previous four quarters of $36.3 million. The Company had $428.1 million of borrowing capacity available under the Revolving Credit Facility as of June 29, 2019. Cash and cash equivalents located in foreign jurisdictions totaled $90.6 million as of June 29, 2019.

Cash flow from operating activities and borrowings on the Revolving Credit Facility are 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 fund organic growth initiatives, reduce debt, pay dividends, repurchase the Company's common stock and pursue acquisitions.

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 June 29, 2019, the Company had a reserve of $17.3 million, of which $7.9 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 $9.4 million recorded in other liabilities expected to be paid over the course of up to 28 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.

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 two quarters of 2019, an increase in net working capital represented a use of cash of $90.8 million. Working capital balances were unfavorably impacted by an increase in inventories of $81.1 million and a decrease in other operating liabilities of $19.3 million, partially offset by an increase in accounts payable of $10.2 million. The increase in inventory is due primarily to the Company’s strategy to mitigate potential changes in tariffs on imported footwear, anticipated growth in sales, the acquisition of a distributor in Italy and new stores.

Investing Activities

The Company made capital expenditures of $18.3 million and $8.3 million in the first two quarters of 2019 and 2018, respectively, for building improvements and information system enhancements. During the second quarter of 2019 the Company made cash investments of $15.1 million related to a business acquisition and $8.5 million related to investments in joint ventures. See Note 17 for additional information regarding the acquisition.

Financing Activities

As of June 29, 2019, the Company was in compliance with all covenants and performance ratios under the Credit Agreement.

The Company’s debt at June 29, 2019 totaled $811.0 million compared to $570.5 million at December 29, 2018. The increase was due to stock repurchases and to fund a business acquisition and investments in joint ventures.

The Company repurchased $207.4 million and $49.9 million of shares in the first two quarters of 2019 and 2018, respectively. The Company may purchase up to an additional $220.2 million of shares under its existing common stock repurchase program that expires in 2023. The Company also paid $16.5 million in the first two quarters of 2019 in connection with employee taxes related to stock incentive plans.

The Company declared a cash dividend of $0.10 per share and $0.08 per share, or $8.6 million and $7.6 million, for the second quarters of 2019 and 2018, respectively. A quarterly dividend of $0.10 per share was declared on August 1, 2019 to shareholders of record on October 1, 2019.

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 in its Management Discussion and Analysis of Financial Conditions and Results of Operations in its 2018 Form 10-K. 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 AOCI 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 June 29, 2019 and June 30, 2018, the Company had outstanding forward currency exchange contracts to purchase primarily U.S. dollars in the amounts of $238.1 million and $209.6 million, respectively, with maturities ranging up to 468 and 531 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. The Company has a cross currency swap, which has been designated as a hedge of a net investment in a foreign operation. As of June 29, 2019, the hedge had a notional amount of $79.8 million and will mature on September 1, 2021. As of June 29, 2019, a weaker U.S. dollar compared to certain foreign currencies increased the value of these investments in net assets by $5.0 million from their value as of December 29, 2018. As of June 30, 2018, a stronger U.S. dollar compared to certain foreign currencies decreased the value of these investments in net assets by $13.0 million from their value at December 30, 2017.

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 June 29, 2019, the Company’s total variable-rate debt was $565.5 million and the Company held one interest rate swap agreement, denominated in U.S. dollars, that effectively converted $141.9 million 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 June 29, 2019 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 its 2018 Form 10-K.

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 second quarter of 2019.

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 4 (March 31, 2019 to May 4, 2019)				
Common Stock Repurchase Program[1]	—	$ —	—	$ 324,512,903
Employee Transactions[2]	4,549	$ 36.65	—	
Period 5 (May 5, 2019 to June 1, 2019)				
Common Stock Repurchase Program[1]	2,877,313	$ 29.30	2,877,313	$ 240,199,387
Employee Transactions[2]	—	$ —	—	
Period 6 (June 2, 2019 to June 29, 2019)				
Common Stock Repurchase Program[1]	711,818	$ 28.11	711,818	$ 220,191,990
Employee Transactions[2]	494	$ 27.62	—	
Total for Quarter Ended June 29, 2019				
Common Stock Repurchase Program[1]	3,589,131	$ 29.07	3,589,131	$ 220,191,990
Employee Transactions[2]	5,043	$ 35.76	—	

(1) On February 11, 2019, the Company's Board of Directors approved a common stock repurchase program that authorizes the repurchase of $400.0 million of common stock over a four-year period. The annual amount of any stock repurchases is restricted under the terms of the Company's Credit Agreement and senior notes indenture.

(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.

Table of Contents

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	Wolverine World Wide, Inc. Amended and Restated Executive Short-Term Incentive Plan (Annual Bonus Plan)*
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 June 29, 2019, formatted in inline XBRL includes: (i) the Consolidated Condensed Statements of Operations and Comprehensive Income; (ii) Consolidated Condensed Balance Sheets; (iii) the Consolidated Condensed Statements of Cash Flows; (iv) the Consolidated Condensed Statements of Stockholders' Equity; and (v) the Notes to Consolidated Condensed Financial Statements.
104	The cover page of the Company's Quarterly Report on Form 10-Q for the quarter ended June 29, 2019, formatted in inline XBRL (contained 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.

August 7, 2019	/s/ Blake W. Krueger
Date	Blake W. Krueger Chairman, Chief Executive Officer and President (Principal Executive Officer and Duly Authorized Signatory for Registrant)
August 7, 2019	/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)

Exhibit 10.1

Wolverine World Wide, Inc.
Amended and Restated Executive Short-Term Incentive Plan
(Annual Bonus Plan)

SECTION 1: **Amendment and Restatement of Plan; Purpose of Plan**

1.1. *Establishment of Plan.* The Company hereby amends and restates the AMENDED AND RESTATED EXECUTIVE SHORT-TERM INCENTIVE PLAN (ANNUAL BONUS PLAN) (the “Plan”), for its executive officers, senior corporate and divisional officers and other key employees. The Plan amends and restates the Wolverine World Wide, Inc. Amended and Restated Executive Short-Term Incentive Plan (Annual Bonus Plan) previously approved by the stockholders at the 2017 Annual Meeting of Stockholders, but is not subject to further shareholder approval. The Plan provides for the payment of Incentive Bonuses to Participants based upon the achievement of Performance Measures during a specified Performance Period.

1.2. *Purpose of Plan.* The purpose of the Plan is to motivate Participants to improve the Company’s profitability and growth through the attainment of carefully planned goals, to promote initiative and cooperation through awards based on corporate and divisional performance and to encourage outstanding individuals to enter and continue in the employ of the Company.

1.3. *Effective Date.* This amendment and restatement of the Plan is effective as of May 01, 2019.

SECTION 2: **Definitions**

The following terms have the stated definitions unless a different meaning is plainly required by the context:

2.1. “Act” means the Securities Exchange Act of 1934, as amended.

2.2. “Beneficiary” means the individual, trust or other entity designated by the Participant to receive any amount payable with respect to the Participant under the Plan after the Participant’s death. A Participant may designate or change a Beneficiary by filing a signed designation with the Committee in a form approved by the Committee. A Participant’s will is not effective for this purpose. If a designation has not been completed properly and filed with the Committee or is ineffective for any other reason, the Beneficiary shall be the Participant’s Surviving Spouse. If there is no effective designation and the Participant does not have a Surviving Spouse, the remaining benefits, if any, shall be paid to the Participant’s estate.

2.3. “Board” means the Board of Directors of the Company.

2.4. “Code” means the Internal Revenue Code of 1986, as amended.

2.5. “Committee” means the Compensation Committee of the Board or such other committee as the Board shall designate to administer the Plan. The Committee shall consist of at least two members.

2.6. “Company” means Wolverine World Wide, Inc., a Delaware corporation, and its successors and assigns.

2.7. “Eligible Employees” means executive officers, senior corporate and divisional officers and other key employees of the Company or a Subsidiary.

2.8. “Fiscal Year” means the fiscal year of the Company for financial reporting purposes as the Company may adopt from time to time.

2.9. “Incentive Bonus” means an annual bonus awarded and paid to a Participant for services to the Company during a Performance Period that is based upon the achievement of Performance Measures established in accordance with the Plan.

2.10. “Participant” means an Eligible Employee who is designated as a Participant by the Committee for a Performance Period.

2.11. “Performance” means the level of achievement of the Performance Measures as determined by the Committee pursuant to Section 6.1.

2.12. “Performance Measure” or “Performance Measures” means the performance measures established by the Committee pursuant to Section 5.

2.13. “Performance Period” means a Fiscal Year or other period determined by the Committee.

2.14. “Subsidiary” means any company or other entity of which 50% or more of the outstanding voting stock or voting ownership interest is directly or indirectly owned or controlled by the Company.

2.15. “Surviving Spouse” means the spouse of the Participant at the time of the Participant’s death who survives the Participant. If the Participant and spouse die under circumstances which prevent ascertainment of the order of their deaths, it shall be presumed for the Plan that the Participant survived the spouse.

2.16. “Target Bonus” means the bonus amount established by the Committee for each Participant under Section 5.1(a).

SECTION 3: **Administration**

3.1. *Power and Authority.* The Plan shall be administered by the Committee. The Committee may delegate recordkeeping, calculation, payment and other ministerial or administrative functions to individuals designated by the Committee, who may be employees of the Company or its Subsidiaries. Except as limited by the Plan, the Committee shall have all of the express and implied powers and duties set forth in the Plan and shall have full authority and discretion to interpret the Plan and to make all other determinations deemed necessary or advisable for the administration of the Plan. Action may be taken by a written instrument signed by a majority of the members of the Committee and any action so taken shall be as effective as if it had been taken at a meeting. The Committee may make such other rules for the conduct of its business and may adopt such other rules, policies and forms for the administration, interpretation and implementation of the Plan as it deems advisable. All determinations, interpretations and selections made by the Committee regarding the Plan shall be final and conclusive.

3.2. *Indemnification of Committee Members.* Neither any member or former member of the Committee nor any individual to whom authority is or has been delegated shall be personally responsible or liable for any act or omission in connection with the performance of powers or duties or the exercise of discretion or judgment in the administration and implementation of the Plan or for any adverse tax or other consequence to any Participant or to the estate or beneficiary of a Participant, including by reason of the application of Section 7.10 or any acceleration of income or any additional tax (including interest and penalties) asserted by reason of the failure of an Incentive Bonus to satisfy the requirements of Section 409A of the Code or Section 4999 of the Code. Each individual who is or has been a member of the Committee, or delegated authority by the Committee, shall be indemnified and held harmless by the Company from and against any cost, liability or expense imposed or incurred in connection with any act or failure to act under the Plan. Each such individual shall be justified in relying on information furnished in connection with the Plan's administration by any appropriate person or persons.

SECTION 4: **Participation**

4.1. *Participation.* The Committee shall select the Eligible Employees who will Participants in the Plan for a Performance Period. If, following the commencement of a Performance Period, (a) an Eligible Employee commences employment with the Company or a Subsidiary, or (b) a current employee of the Company or a Subsidiary first becomes an Eligible Employee, and, in either case, such Eligible Employee is designated as a Participant by the Committee, unless otherwise determined by the Committee, the Performance Period applicable to such Eligible Employee's Incentive Bonus for such Fiscal Year will begin on the date of such commencement of employment or eligibility, as applicable, and end on the last day of such Performance Period.

4.2. *Continuing Participation.* Selection as a Participant for a Performance Period by the Committee is limited to that Performance Period. An Eligible Employee will be a Participant for a Performance Period only if designated as a Participant by the Committee for such Performance Period.

SECTION 5: **Incentive Bonus Terms; Performance Measures**

5.1. *Incentive Bonus Terms.* The Committee shall establish the terms of the Incentive Bonus for each Participant or group of Participants in the manner specified in this Section 5. For each Participant or group of Participants for each Performance Period, the Committee shall specify:

(a) *Target Bonus.* A Target Bonus, expressed as a percentage of the Participant's base salary or a specified dollar amount;

(b) *Incentive Bonus.* The amount that may be payable under an Incentive Bonus, expressed as a percentage of the Target Bonus, based on the level (or varying levels) of achievement of the Performance

Measures; for these purposes, the Incentive Bonus payable based on varying levels of achievement may be expressed either as (i) a matrix of percentages of the Target Bonus that will be paid at specified levels of achievement of the Performance Measures or (ii) a mathematical formula that determines the percentage of the Target Bonus that will be paid at varying levels of achievement of the Performance Measures.

(c) *Performance Measures.* The Performance Measures applicable to the Incentive Bonus; and

(d) *Conditions on Incentive Bonus.* Any specific circumstances under which an Incentive Bonus specified under subsection (b) above may be increased, reduced or forfeited. In addition, notwithstanding anything in the Plan to the contrary, the Committee may at any time, and for any reason, exercise negative discretion to reduce or eliminate any Incentive Bonus.

5.2. *Performance Measures*. For purposes of the Plan, "Performance Measure" means any measure (or measures) of performance relating to any one or more performance criteria, or derivations of such performance criteria, either individually, alternatively or in any combination, applied to either the Company as a whole or to a business unit, division, line or Subsidiary, either individually, alternatively or in any combination, and measured either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years' results or to an index or indices or a designated comparison group or groups, in each case as specified by the Committee. The Performance Measures may include, without limitation: (i) net earnings or earnings per share (including earnings before interest, taxes, depreciation and/or amortization); (ii) income, net income or operating income; (iii) revenues; (iv) net sales; (v) return on sales; (vi) return on equity; (vii) return on capital (including return on total capital or return on invested capital); (viii) return on assets or net assets; (ix) earnings per share; (x) economic or business value added measurements; (xi) return on invested capital; (xii) return on operating revenue; (xiii) cash flow (before or after dividends); (xiv) stock price; (xv) total stockholder return; (xvi) market capitalization; (xvii) economic value added; (xviii) debt leverage (debt to capital); (xix) operating profit or net operating profit; (xx) operating margin or profit margin; (xxi) cash from operations; (xxii) market share; (xxiii) product development, release schedules, lead times, delivery or quality; (xxiv) new product innovation; (xxv) cost or expense controls; (xxvi) customer acquisition or retention; (xxvii) customer service; or (xxviii) customer satisfaction. The Performance Measure and any targets with respect thereto determined by the Committee need not be based upon an increase, a positive or improved result or avoidance of loss.

The Committee (a) may appropriately adjust any evaluation of the satisfaction of Performance Measures to eliminate the effects of charges for restructurings, discontinued operations, unusual or infrequently occurring items and all items of gain, loss or expense determined to be unusual or infrequent in nature or related to the disposal of a segment of a business or related to a change in accounting principle, all as determined in accordance with applicable accounting provisions, as well as the cumulative effect of accounting changes, in each case as determined in accordance with generally accepted accounting principles or identified in the Company's financial statements or notes to the financial statements, and (b) may appropriately adjust any evaluation of the achievement of Performance Measures to exclude any of the following events that occurs during a Performance Period: (i) asset write-downs; (ii) litigation, claims, judgments or settlements; (iii) the effect of changes in tax law or other such laws or provisions affecting reported results; (iv) corporate stock and asset acquisitions and dispositions; (v) accruals of any amounts for payment under this Plan or any other compensation arrangement maintained by the Company, and (vii) such other events as determined by the Committee in its discretion.

5.3. *Time of Determination by Committee.* The Committee shall establish in writing all terms applicable to an Incentive Bonus pursuant to this Section 5 at such times as it determines.

SECTION 6: **Determination and Payment of Incentive Bonuses**

6.1. *Committee Determination.* The Incentive Bonus, if any, payable to each Participant for any Performance Period shall be determined by the Committee on the basis of the Target Bonus and achievement of the Performance Measures established by the Committee pursuant to Section 5. After the end of the Performance Period, the Committee shall determine, prior to payment of any Incentive Bonus, the extent to which the applicable Performance Measures were achieved.

6.2. *Eligibility for Payment.* An Incentive Bonus otherwise payable to a Participant for a Performance Period shall be adjusted as follows:

(a) *Retirement, Death or Total Disability.* If the Participant ceases to be a Participant before the end of the Performance Period and more than six months after the beginning of such Performance Period because of death, normal or early retirement under the Company's retirement plan, as then in effect, or total disability under the Company's long-term disability plan, as then in effect, the Participant or the Participant's Beneficiary, will be entitled to payment of a prorated portion of the Incentive Bonus calculated as follows: 100% of the Incentive Bonus that the Participant would have received, if any, had the Participant been a Participant until the last day of the applicable Performance Period, multiplied by the ratio of the Participant's full months as a Participant during that Performance Period to the number of months in the Performance Period. Notwithstanding the foregoing, the Committee shall have discretion to increase, reduce or eliminate any Incentive Bonus otherwise payable pursuant to this Section 6.2(a).

(b) *Reassignment of Duties.* If a Participant is reassigned employment duties before the end of any Performance Period, the Participant will be entitled to payment of a prorated portion of the Incentive Bonus calculated as follows: 100% of the Incentive Bonus that the Participant would have received, if any, had the Participant been a Participant until the last day of the applicable Performance Period, multiplied by the ratio of the Participant's full months as a Participant during the Performance Period prior to the reassignment to the number of months in the Performance Period. If such Participant is designated as a Participant in his or her new position, the Participant will also be entitled to payment of a prorated portion of the Incentive Bonus with respect to such new position calculated as follows: 100% of the Incentive Bonus that the Participant would have received, if any, had the Participant had been a Participant during the entire Performance Period, multiplied by the ratio of the Participant's months as a Participant during that Performance Period after the reassignment (rounded up to the next full month) to the number of months in that Performance Period (but not in excess of the maximum amount payable in respect of such Performance Period, as previously determined by the Committee).

(c) *Other Termination.* Except as provided in Section 6.2(a), if the Participant's employment terminates prior to the payment of an Incentive Bonus with respect to any Performance Period, the Participant will not be entitled to payment of the Incentive Bonus for such Performance Period.

6.3. *Maximum Incentive Bonus.* The maximum Incentive Bonus payable to any Participant for a Fiscal Year under this Plan shall not exceed $4,000,000.

6.4. *Payment to Participant or Beneficiary.* Any Incentive Bonus payable to a Participant shall be paid to the Participant, or the Beneficiary of any deceased Participant, by the Company as soon as reasonably feasible following final determination by the Committee of the amount payable as provided in Section 6.1; *provided, however*, in no event may an Incentive Bonus be paid later than the fifteenth day of the third month following the end of the Performance Period to which the Incentive Bonus relates.

6.5. *Manner of Payment.* Each Participant will receive his or her Incentive Bonus in cash.

SECTION 7: **General Provisions**

7.1. *Benefits Not Guaranteed.* Neither the establishment and maintenance of the Plan nor participation in the Plan shall provide any guarantee or other assurance that an Incentive Bonus will be payable under the Plan.

7.2. *No Right to Participate.* Nothing in this Plan shall be deemed or interpreted to provide a Participant or any Eligible Employee any contractual right to participate in or receive benefits under the Plan. No designation of an employee as an Eligible Employee or a Participant for all or any part of a Performance Period shall create a right to an Incentive Bonus under the Plan for any other Performance Period. There is no obligation of uniformity of treatment of Eligible Employees or Participants under the Plan. The loss of any Incentive Bonus will not constitute an element of damages in the event of termination of employment for any reason, even if the termination is in violation of an obligation of the Company or a Subsidiary to a Participant.

7.3. *No Employment Right.* Participation in this Plan shall not be construed as constituting a commitment, guarantee, agreement or understanding of any kind that the Company or any Subsidiary will continue to employ any individual and this Plan shall not be construed or applied as an employment contract or obligation. Nothing in this Plan shall abridge or diminish the rights of the Company or any Subsidiary to determine the terms and conditions of employment of any Participant or Eligible Employee or to terminate the employment of any Participant or Eligible Employee with or without reason at any time.

7.4. *No Assignment or Transfer.* Neither a Participant nor any Beneficiary or other representative of a Participant shall have any right to assign, transfer, attach or hypothecate any amount or credit, potential payment or right to future payments of any amount or credit or any other benefit provided under this Plan. Payment of any amount due or to become due under this Plan shall not be subject to the claims of creditors of the Participant or to execution by attachment or garnishment or any other legal or equitable proceeding or process.

7.5. *No Limit on Other Compensation Arrangements.* Nothing contained in this Plan shall prevent the Company or any Subsidiary from adopting or continuing in effect other or additional compensation arrangements. A Participant may have other targets under other plans of the Company. However, no payment under any other plan or arrangement shall be contingent upon failure to attain the criteria for payment of an Incentive Bonus under this Plan.

7.6. *Withholding and Payroll Taxes.* The Company shall deduct from any payment made under this Plan all amounts required by federal, state, local and foreign tax laws to be withheld and shall subject any payments made under the Plan to all applicable payroll taxes and assessments.

7.7. *Incompetent Payee.* If the Committee determines that an individual entitled to a payment under this Plan is incompetent, it may cause benefits to be paid to another individual for the use or benefit of the Participant or Beneficiary at the time or times otherwise payable under this Plan in total discharge of the Plan's obligations to the Participant or Beneficiary.

7.8. *Governing Law.* The validity, construction and effect of the Plan shall be determined in accordance with the laws of the State of Michigan and applicable federal law.

7.9. *Severability.* In the event any provision of the Plan shall be held illegal or invalid for any reason, the remaining provisions of the Plan shall not be affected and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

7.10. *Clawback.* Incentive Bonuses are subject to forfeiture, termination and rescission, and a Participant will be obligated to return to the Company payments received with respect to Incentive Bonuses, in each case (a) to the extent provided by the Committee in connection with (i) a breach by the Participant any non-competition, non-solicitation, confidentiality or similar covenant or agreement with the Company or any of its affiliates or (ii) an overpayment to the Participant of incentive compensation due to inaccurate financial data, (b) in accordance with any applicable Company clawback or recoupment policy, as such policy may be amended and in effect from time to time, or (c) as otherwise required by law or applicable stock exchange listing standards, including, without limitation, Section 10D of the Act. Each Participant, by accepting an Incentive Bonus pursuant to the Plan, agrees to return the full amount required under this Section 7.10 at such time and in such manner as the Company shall determine in its sole discretion.

SECTION 8: **Termination and Amendment**

The Board may terminate the Plan at any time, or may from time to time amend the Plan as it deems proper and in the best interests of the Company. Except as otherwise provided in this Plan and the applicable Performance Measures established pursuant to this Plan for determining the amount of any Incentive Bonus for a Fiscal Year or part thereof, no Incentive Bonuses shall be payable for the Fiscal Year in which the Plan is terminated, or, if later, in which the termination is effective.

SECTION 9: **Duration of the Plan**

This Plan shall continue in effect until terminated by the Board.

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: August 7, 2019

/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: August 7, 2019

/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 quarter ended June 29, 2019 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: August 7, 2019

/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)