UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 27, 2019

EVINE Live Inc.

(Exact name of registrant as specified in its charter)

Minnesota	001-37495	41-1673770
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6740 Shady Oak Road,
Eden Prairie, Minnesota 55344-3433
(Address of principal executive offices)

+1 (952) 943-6000
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	**EVLV**	**The Nasdaq Stock Market**

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

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

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

On May 29, 2019, we issued a press release disclosing our results of operations and financial condition for our first quarter ended May 4, 2019. The press release is furnished herewith as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in that filing.

Item 2.05 **Costs Associated with Exit or Disposal Activities**

On May 29, 2019, we announced that we are implementing a cost optimization event that is expected to result in an approximately 20% reduction in our non-variable workforce during the current fiscal quarter. As a result of this action, we expect to incur total non-recurring restructuring charges of approximately $4.0 million to $4.5 million on a pre-tax basis for severance payments and other termination costs.

An announcement of the reduction in force has been included in the press release furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 2.05 of this Current Report on Form 8-K contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements involve risks and uncertainties that could cause actual results to differ materially from expectations, and may relate to, among other things, statements regarding our current expectations and beliefs as to the timing and scope of the reduction in force plan and the amount and timing of the related costs. These forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to revise or update such statements to reflect future events or circumstances.

Item 5.02 **Entry into a Material Definitive Agreement**

In connection with the cost optimization event, on May 28, 2019 our (a) EVP, Chief Financial Officer, Diana G. Purcel, (b) Chief Accounting Officer, Nicholas J. Vassallo, (c) EVP, General Counsel & Corporate Secretary, Andrea M. Fike, and (d) our EVP, Managing Director of Brand Development, Nicole R. Ostoya, will cease to serve in such roles, effective May 28, 2019.

On May 27, 2019, our board of directors appointed Michael Porter as our SVP, Chief Financial Officer (and principal accounting officer). Mr. Porter, age 38, joined our company as Director, Financing Planning & Analysis, in July 2015 and was promoted to our Vice President, Finance and Investor Relations, in November 2016. Prior to joining our company, Mr. Porter served in multiple finance and accounting roles with Target Corp. from May 2004 to July 2015.

In connection with his promotion, Mr. Porter: (a) will receive an annual base salary of $300,000, (b) will be eligible for annual cash discretionary bonuses targeted at 40% of his annual salary with a maximum annual cash discretionary bonus equal to 80% of his annual salary, (c) will receive long term incentive plan equity awards targeted at 45% of his annual salary, with 50% of the awards granted as stock options and 50% of the awards granted as restricted stock units and (d) receive a one-time award of 50,000 stock options vesting over three years and 50,000 restricted stock units vesting over three years. Mr. Porter is also designated as a Tier II Executive under our Executives' Severance Benefit Plan. Pursuant to the severance benefit plan, Mr. Porter is eligible to receive 1 times his highest annual rate of base salary during the 12-month period immediately preceding the date that he separates from our company. If within a one-year period (the "Benefit Period") commencing on the date of a Change in Control (as defined in the severance benefit plan), his employment is terminated by our company without Cause (as defined in the severance benefit plan) or by him for Good Reason (as defined in the severance benefit plan), he will be entitled to benefits under the severance benefit plan equal to the sum of: (i) 1 ¼ times his highest annual rate of base salary during the 12-month period immediately preceding the date that he separates from service; and (ii) 1 ¼ times the target annual incentive bonus determined from such base salary. In addition, if Mr. Porter is a participant in the severance benefit plan on the date of the Change in Control he will be entitled to benefits under the severance benefit plan if his employment is terminated by our company during the Benefit Period or the immediately preceding six months. He will also be entitled to reimbursement for a portion of the premium amount for COBRA coverage equal to the amount paid by other similarly situated executives who have not been terminated and who receive similar group, health, dental and life insurance benefits. We shall provide such reimbursement for a period of 15 months after his employment terminates, subject to his timely payment of his share of the applicable premiums. All severance pay or benefits are conditioned upon his execution of an effective release and his or her compliance with applicable covenants under the severance benefit plan (including non-solicitation, non-disparagement, confidentiality and non-use covenants). This summary description of the severance benefit plan employment agreement is qualified in its entirety by reference to the severance benefit plan, a copy of which is included as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure

On May 29, 2019, we issued a press release. The full text of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 7.01.

The information in this Item 7.01 of this Current Report on Form 8-K shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities under that section, and shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, or the Securities Exchange Act of 1934, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibits are being filed or furnished with this Current Report on Form 8-K:

Exhibit No.	Description
10.1*	Evine Live Inc. Executives' Severance Benefit Plan (Incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated July 25, 2016, filed July 27, 2016, File No. 001-37495)
99.1	Press Release dated May 29, 2019

* Management compensatory plan/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 hereunto duly authorized.

Date: May 29, 2019	EVINE Live Inc.
	By: /s/ *Timothy Peterman*
	Timothy Peterman
	Chief Executive Officer

Exhibit 99.1

Evine Live Inc. Reports First Quarter Results; Announces New Interactive Media Growth Strategy and $15 million Reduction in Overhead Costs

Company to Change its Name to iMedia Brands, Inc.

MINNEAPOLIS, MN – May 29, 2019 – Evine Live Inc. (NASDAQ: EVLV) today announced results for the first quarter ended May 4, 2019. In addition, the Company announced its new interactive media growth strategy to build shareholder value.

First Quarter 2019 Financial Summary

- Net sales of $131.5 million, a 16.0% decrease compared the prior year
- Gross profit margin of 28.4%, a 750 basis point decrease year-over-year
- Net loss of $21.0 million, compared to net loss of $3.0 million in the prior year
- Adjusted EBITDA of ($8.5) million, compared to $3.3 million in the prior year
- EPS of ($0.31) compared to ($0.05) in the prior year
- Total liquidity of $34.4 million at quarter end, consisting of unrestricted cash of $28.7 million and $5.7 million of availability on the Company's revolving credit facility

Executive Commentary – Tim Peterman, CEO since May 2, 2019

"I am excited to rejoin Evine as its new CEO. Although we have only been working as a team again for less than a month, we have already identified the primary causes for Evine's dramatic financial declines these last few quarters and begun to implement focused remediation actions.

In terms of our first quarter, 2019 performance, there is no other way to say it – our performance was poor. In fact, our performance over the past three quarters has significantly missed expectations, and we must perform better for our shareholders and employees. Our plan to reverse our recent negative financial trend is clear, exciting and already in motion. In the last 20 days, we have accomplished the following:

- We have hired Jean Sabatier into a new role, EVP, Chief Commerce Officer, with his first official day yesterday. This is an important change expected to re-establish operating fundamentals in pricing, merchandising, programming and planning. Jean rejoins the company after having served as SVP, Sales & Product Planning and Programming from 2008 to March 2017. Most recently, Jean has served as a planning and programming consultant in both Germany and Italy to HSE24, an omni-channel retailer. Prior to joining Evine in 2008, Jean spent 11 years at QVC.

- We are optimizing the current merchandising mix to drive better customer engagement and immediately improve our merchandising margin and shipping margin. We expect this changed mix will lower our variable costs as a percentage of revenue. This is a cornerstone remediation effort that we anticipate will create an increase of 5 to 7 percent in the airtime mix of our strongest categories of Jewelry, Beauty, Wellness and Watches, and a corresponding decrease of 5 to 7 percent in the airtime mix of our lowest performing categories of Home and Fashion.

- We believe establishing a passionate, entrepreneurial culture with a lean, nimble organization is an important part of our go-forward strategy. Yesterday, we completed a cost optimization event that we expect will eliminate approximately $15 million in annual overhead costs. This event included a 20 percent reduction in non-variable workforce and the permanent elimination of the following 11 senior executive roles: EVP, Product Sourcing & Business Development; EVP, Managing Director of Brand Development; EVP, Chief Human Resources Officer; SVP, Chief Merchandising Officer; SVP, Chief Accounting Officer; VP, Site Merchandising & Customer Analytics; VP, Customer Operations; VP, GMM Home; VP, Planning; VP, Marketing; and VP, GMM Beauty.

- In addition, effective yesterday Michael Porter, our former VP of Finance and Investor Relations, has replaced Diana Purcell as Evine's SVP, Chief Financial Officer.

- On May 2, as previously announced, we secured $11 million in additional working capital related to the Invicta Watch Group investment transaction. I was part of this investment group that bought $6 million of Evine stock at $0.75 per share because we believe we can quickly and permanently reestablish our near-term and long-term shareholder growth opportunity.

- We secured the services of Eyal Lalo, as our new Vice Chairman, and we expect he will help us reignite our vendor community with passion while also helping us find and launch new vendors to strengthen our product assortment in all of our merchandising categories. This is also a cornerstone of our remediation effort. In the last three years, Evine has not launched a single brand that has exceeded $10 million in annual revenues. Eyal is already making a difference for us in this area.

- In the second quarter, we are planning to change the name of the Evine network back to ShopHQ, which was the name of the network in 2014. ShopHQ is easier to recognize for existing television retailing customers, who spend over $9 billion annually with television retailers in U.S. We believe this more intuitive and recognizable name will allow us to better promote to our network and build our customer file again. Our conclusion from the review of the customer impact data related to the change to Evine in 2015, was that it was not positive.

We view these immediate tactical actions as critical to address our near-term challenge in the second quarter and thoughtfully improve and grow again in the third and fourth quarters.

Thinking beyond these next few quarters, we are also excited to announce our new interactive media growth strategy that centers on demonstrating that we are no longer a digital retailer that happens to be on television. Instead, we are an interactive media company that happens to have multiple monetization models: TV retailing, eCommerce, advertising and service fees. For illustration, we are already doing the following:

Using our "service fee" business model:

- **Expanding Evine's existing 3PL service offering.** In 2017, Evine launched its 3PL services business unit and signed its first customer, G-III Apparel Group, in 2018 with brands such as Karl Lagerfeld Paris, DKNY and G.H. Bass. This year we expect to add customers and expand our service offering to provide a "one-stop commerce services offering" targeting brands interested in propelling their growth using our unique combination of assets in television, web and 3PL services. We will also seek to add services in the AdTech space monetized with advertising and fees.

Using our "advertising & eCommerce" business model:

- **Shop Bulldog** : In Q4 of 2019, we expect to rebrand our existing Evine Too channel into a new omni-channel, television shopping brand called Shop Bulldog ("SB") that will sell and advertise men's merchandise and services, and the aspirational lifestyles associated with its brands and personalities. Although SB will be produced in Minnesota at the corporate headquarters like our ShopHQ channel, SB will not be associated with ShopHQ from a branding and creative perspective. Our unfair advantage in executing this strategy is our existing strength in watches and male customers in television retailing.

- **LaVenta:** In Q1 of 2020, we expect to launch a new omni-channel, Spanish language, television shopping brand centered on the Latin culture to sell and advertise merchandise, services and personalities, celebrating aspirational lifestyles. LaVenta will be produced in Miami by a standalone Latin management team. We also have a compelling unfair advantage to build this new offering – the top three shopping categories in the Latin culture are beauty, watches and jewelry – our core strengths.

Thank you for the trust to lead this passionate team of employees and vendors on this next stage of our journey together."

SUMMARY RESULTS AND KEY OPERATING METRICS
($ Millions, except average selling price and EPS)

	Q1 2019 5/4/2019	Q1 2018 5/5/2018	Change
Net Sales	$ 131.5	$ 156.5	(16.0%)
Gross Margin %	28.4%	35.9%	(750bps)
Adjusted EBITDA	$ (8.5)	$ 3.3	N/A
Net Loss	$ (21.0)	$ (3.0)	(603%)
EPS	$ (0.31)	$ (0.05)	(520%)
Net Shipped Units (000s)	1,899	2,472	(23%)
Average Selling Price (ASP)	$ 63	$ 57	11%
Return Rate %	20.2%	18.9%	130bps
Digital Net Sales %	52.8%	53.0%	(20bps)
Total Customers - 12 Month Rolling (000s)	1,179	1,269	(7%)
% of Net Merchandise Sales by Category			
Jewelry & Watches	43%	40%	
Home & Consumer Electronics	20%	22%	
Beauty & Wellness	18%	19%	
Fashion & Accessories	19%	19%	
Total	100%	100%	

First Quarter 2019 Results

- The top performing category in the quarter was Watches, which declined 0.3% year-over-year
- Subscription sales increased 23%, reflecting continued progress in driving loyalty within the Beauty & Wellness category
- The return rate for the quarter was 20.2%; an increase of 130 basis points year-over-year driven by a mix shift into the Jewelry & Watches category combined with rate increases in Jewelry and Beauty commensurate with the ASP increases in these categories
- A non-cash inventory impairment charge of $6.1 million was recorded related to the new strategy to shift airtime and merchandise mix into higher margin categories, such as Jewelry & Watches and Beauty & Wellness, and resulted in the need to liquidate excess inventory in the Fashion and Home product categories as a result of the reduced airtime being allocated to those categories
- Gross profit dollars declined 33.7% year-over-year to approximately $37.3 million; this decline includes a discrete inventory impairment of $6.1 million
- Average selling price increased 11% to $63 driven by increases in Jewelry & Watches, and Beauty & Wellness categories combined with a mix shift into Jewelry & Watches
- Operating expenses decreased 1.3% or approximately $759,000 year-over-year to $57.4 million, reflecting reductions in distribution and selling expenses as a result of lower variable expenses commensurate with a decline in volume that was partially offset by an increase in executive transition expense

Liquidity and Capital Resources

As of May 4, 2019, total unrestricted cash was $28.7 million, compared to $20.5 million at the end of the fourth quarter of fiscal 2018. The Company also had an additional $5.7 million of unused availability on its revolving credit facility, which gives the Company total liquidity of $34.4 million as of the end of the first quarter.

Outlook

The Company expects to reduce its adjusted EBITDA loss in the second quarter as compared to the first quarter, and then the Company expects to produce positive, escalating adjusted EBITDA in the third and fourth quarters.

In accordance with SEC Guidance for Item 10(e)(1)(i)(A) of Regulation S-K, the Company has not provided a reconciliation of expected Adjusted EBITDA to expected net income in this press release due to the uncertainty and inherent difficulty predicting the occurrence, the financial impact and the periods in which certain GAAP to non-GAAP adjustments may be recognized. These adjustments may include the impact of such items as loss on debt extinguishment, gain on sale of assets, executive and management transition costs, inventory impairments outside of normal course business, business development and expansion costs, restructuring charges, the effect of other certain one-time items, and the income tax effect of such items. The Company is unable to quantify these types of adjustments that would be required to be included in the GAAP measure without unreasonable efforts. In addition, the Company believes such a reconciliation would imply a degree of precision on inherently unpredictable events in its outlook that could be confusing to investors.

Conference Call

As previously announced, a conference call and webcast to discuss the Company's first quarter earnings will be held later this morning at 8:30 a.m. Eastern Time on Wednesday, May 29, 2019:

WEBCAST LINK:	https://event.on24.com/wcc/r/2006411/24ECA966E619EEFA9F7F8F0A220484C0
TELEPHONE:	1-877-407-9039 (domestic) or 1-201-689-8470 (international)

Please visit www.evine.com/ir for more investor information and to review an updated investor deck.

About Evine Live Inc.

Evine Live Inc. (NASDAQ:EVLV) operates Evine, a multiplatform interactive digital commerce company that offers a mix of proprietary, exclusive and name brands directly to consumers in an engaging and informative shopping experience via television, online and mobile. Evine reaches more than 87 million television homes with entertaining content in a comprehensive digital shopping experience offered 24 hours a day.

Please visit www.evine.com/ir for more investor information.

Contacts

Media:
Elizabeth Buhn
press@evine.com
(952) 943-6646

Investors:
Michael Porter
mporter@evine.com
(952) 943-6517

EVINE Live Inc.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share data)

	May 4, 2019 (Unaudited)	February 2, 2019
ASSETS		
Current assets:		
Cash	$ 28,739	$ 20,485
Restricted cash equivalents	450	450
Accounts receivable, net	72,181	81,763
Inventories	57,168	65,272
Prepaid expenses and other	8,112	9,053
Total current assets	166,650	177,023
Property and equipment, net	49,950	51,118
Other assets	3,179	1,846
Total Assets	$ 219,779	$ 229,987
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 59,875	$ 56,157
Accrued liabilities	36,981	37,374
Current portion of long term credit facility	2,714	2,488
Current portion of operating lease liabilities	824	-
Deferred revenue	35	35
Total current liabilities	100,429	96,054
Other long term liabilities	39	50
Operating lease liabilities	337	-
Long term credit facilities	68,037	68,932
Total liabilities	168,842	165,036
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, $.01 par value, 400,000 shares authorized; zero shares issued and outstanding	-	-
Common stock, $.01 par value, 99,600,000 shares authorized; 76,230,985 and 67,919,349 shares issued and outstanding	762	679
Additional paid-in capital	449,090	442,197
Accumulated deficit	(398,915)	(377,925)
Total shareholders' equity	50,937	64,951
Total Liabilities and Shareholders' Equity	$ 219,779	$ 229,987

EVINE Live Inc.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except share and per share data)

	For the Three-Month Periods Ended	
	May 4, 2019	**May 5, 2018**
Net sales	$ 131,521	$ 156,505
Cost of sales	94,228	100,250
Gross profit	37,293	56,255
Margin %	28.4%	35.9%
Operating expense:		
Distribution and selling	46,864	48,887
General and administrative	6,869	6,719
Depreciation and amortization	1,679	1,572
Executive and management transition costs	2,031	1,024
Total operating expense	57,443	58,202
Operating loss	(20,150)	(1,947)
Other income (expense):		
Interest income	5	7
Interest expense	(830)	(1,026)
Total other expense, net	(825)	(1,019)
Loss before income taxes	(20,975)	(2,966)
Income tax provision	(15)	(20)
Net loss	$ (20,990)	$ (2,986)
Net loss per common share	$ (0.31)	$ (0.05)
Net loss per common share ---assuming dilution	$ (0.31)	$ (0.05)
Weighted average number of common shares outstanding:		
Basic	67,318,462	65,360,951
Diluted	67,318,462	65,360,951

EVINE Live Inc.
AND SUBSIDIARIES
Reconciliation of Net Income (Loss) to Adjusted EBITDA:
(Unaudited)
(in thousands)

	For the Three-Month Periods Ended	
	May 4, 2019	**May 5, 2018**
Net loss	$ (20,990)	$ (2,986)
Adjustments:		
Depreciation and amortization	2,629	2,620
Interest income	(5)	(7)
Interest expense	830	1,026
Income taxes	15	20
EBITDA (as defined)	$ (17,521)	$ 673
A reconciliation of EBITDA to Adjusted EBITDA is as follows:		
EBITDA (as defined)	$ (17,521)	$ 673
Adjustments:		
Inventory Impairment	6,050	-
Executive and management transition costs	2,031	1,024
Contract termination costs	-	753
Non-cash share-based compensation expense	966	820
Adjusted EBITDA	$ (8,474)	$ 3,270

Adjusted EBITDA

EBITDA represents net income (loss) for the respective periods excluding depreciation and amortization expense, interest income (expense) and income taxes. The Company defines Adjusted EBITDA as EBITDA excluding non-operating gains (losses); executive and management transition costs; non-cash impairment charges and write downs; business development and expansion costs; loss on debt extinguishment; contract termination costs; gain on sale of television station and non-cash share-based compensation expense. The Company has included the “Adjusted EBITDA” measure in its EBITDA reconciliation in order to adequately assess the operating performance of its television and online businesses and in order to maintain comparability to its analyst's coverage and financial guidance, when given. Management believes that the Adjusted EBITDA measure allows investors to make a meaningful comparison between its business operating results over different periods of time with those of other similar companies. In addition, management uses Adjusted EBITDA as a metric to evaluate operating performance under the Company’s management and executive incentive compensation programs. Adjusted EBITDA should not be construed as an alternative to operating income (loss), net income (loss) or to cash flows from operating activities as determined in accordance with generally accepted accounting principles (“GAAP”) and should not be construed as a measure of liquidity. Adjusted EBITDA may not be comparable to similarly entitled measures reported by other companies. The Company has included a reconciliation of the comparable GAAP measure, net income (loss) to Adjusted EBITDA in this release.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This document may contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements contained herein that are not statements of historical fact, including statements regarding rebranding, savings from cost reductions, expected changes in the merchandise mix and its impact, plans for Shop Bulldog and LaVenta, expected advantages to pursue restructuring and operational changes, guidance, industry prospects, the Company’s strategic alternatives process and any potential outcome from that process or future results of operations or financial position are forward-looking. The Company often use words such as anticipates, believes, estimates, expects, intends, seeks, predicts, hopes, should, plans, will and similar expressions to identify forward-looking statements. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): variability in consumer preferences, shopping behaviors, spending and debt levels; the general economic and credit environment; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales and sales promotions; pricing and gross sales margins; the level of cable and satellite distribution for the Company’s programming and the associated fees or estimated cost savings from contract renegotiations; the Company’s ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties with whom the Company has contractual relationships, and to successfully manage key vendor and shipping relationships and develop key partnerships and proprietary and exclusive brands; the ability to manage operating expenses successfully and the Company’s working capital levels; the ability to remain compliant with the Company’s credit facilities covenants; customer acceptance of the Company’s branding strategy and its repositioning as a video commerce company; the ability to respond to changes in consumer shopping patterns and preferences, and changes in technology and consumer viewing patterns; changes to the Company’s management and information systems infrastructure; challenges to the Company’s data and information security; changes in governmental or regulatory requirements; including without limitation, regulations of the Federal Communications Commission and Federal Trade Commission, and adverse outcomes from regulatory proceedings; litigation or governmental proceedings affecting the Company’s operations; significant events (including disasters, weather events or events attracting significant television coverage) that either cause an interruption of television coverage or that divert viewership from its programming; disruptions in the Company’s distribution of its network broadcast to customers; the Company’s ability to protect its intellectual property rights; our ability to obtain and retain key executives and employees; the Company’s ability to attract new customers and retain existing customers; changes in shipping costs; expenses related to the actions of activist or hostile shareholders; the Company’s ability to offer new or innovative products and customer acceptance of the same; changes in customer viewing habits of television programming; and the risks identified under Item 1A(Risk Factors) in the Company’s most recently filed Form 10-K and any additional risk factors identified in its periodic reports since the date of such Form 10-K. More detailed information about those factors is set forth in the Company’s filings with the Securities and Exchange Commission, including its annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. the Company’s is under no obligation (and expressly disclaim any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.