

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported):

October 10, 2019

**HAMILTON BEACH BRANDS HOLDING COMPANY**

(Exact name of registrant as specified in its charter)

DELAWARE

001-38214

31-1236686

(State or other jurisdiction of incorporation)

(Commission File Number)

(IRS Employer Identification No.)

4421 WATERFRONT DR, GLEN ALLEN, VA

23060

(Address of principal executive offices)

(Zip code)

(804) 273-9777

(Registrant's telephone number, including area code)

N/A

(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 (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>Class A Common Stock, Par Value \$0.01 Per Share</b>	<b>HBB</b>	<b>New York Stock Exchange</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 2.05 Costs Associated with Exit or Disposal Activities.**

On October 10, 2019, the board of directors of Hamilton Beach Brands Holding Company (the “Company”) approved the wind down of the retail operations of the Company’s subsidiary, The Kitchen Collection, LLC (“Kitchen Collection”) and the closure of all of its 160 stores by the end of 2019 (the “Wind Down”).

During the third quarter, Kitchen Collection expects to record a non-cash, pretax impairment charge of \$1 million related to property, plant and equipment and a valuation allowance of \$1.9 million related to deferred tax assets primarily for state net operating losses. During the fourth quarter, Kitchen Collection expects to incur expenses in the range of \$4 million to \$6 million primarily for severance obligations and professional fees. We expect the total cash expenditures relating to the Wind Down, excluding cash expenditures in the ordinary course as Kitchen Collection continues to operate, to be in the range of \$6 million to \$8 million. These charges and expenses do not include lease termination obligations as the amount is subject to negotiation and is not known at this time. The Company’s estimate of the charges and expenses are preliminary and subject to change until finalized.

Due to the Wind Down, we expect historical and future financial results of Kitchen Collection, as well as exit costs and other expenses related to the Wind Down, will be reflected as discontinued operations beginning in the fourth quarter of 2019.

## **FORWARD LOOKING STATEMENTS**

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 concerning the expected amount and timing of charges and cash expenditures and expected completion of the contemplated actions. These forward-looking statements are based on management’s reasonable expectations and assumptions as of the date of this report. Actual performance and financial results may differ materially from projections and estimates expressed in the forward-looking statements because of many factors not anticipated by management, including the risk that the charges or cash expenditures may be in excess of the estimated amounts or may occur in different fiscal periods than expected, the Company’s inability to complete actions to exit the Kitchen Collection business within the time periods anticipated, and other risk factors, including those described in the Company’s Form 10-K for the year ended December 31, 2018. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

## **Item 2.06 Material Impairments.**

The information contained in Item 2.05 relating to the asset impairments is incorporated into this Item 2.06 by reference.

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**Item 8.01 Other Events.**

On October 15, 2019, the Company issued a press release announcing the Wind Down, which press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

99.1            [Press Release, dated October 15, 2019.](#)

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**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: October 15, 2019

HAMILTON BEACH BRANDS HOLDING  
COMPANY

By: /s/ Michelle O. Mosier

Name: \_\_\_\_\_ Michelle O. Mosier

Title: Vice President, Chief Financial Officer, and  
Treasurer

## NEWS RELEASE



### CONTACT:

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**For Immediate Release  
Tuesday, October 15, 2019**

### **HAMILTON BEACH BRANDS HOLDING COMPANY ANNOUNCES WIND DOWN OF KITCHEN COLLECTION RETAIL BUSINESS**

Glen Allen, Virginia, October 15, 2019 - Hamilton Beach Brands Holding Company (NYSE: HBB) today announced the wind down of the retail operations of its subsidiary, The Kitchen Collection, LLC, and the closure of all of its 160 stores by the end of 2019.

Conway MacKenzie is serving as financial advisor and Hilco Merchant Resources will assist management during the sale process of Kitchen Collection inventory and store fixtures. Sales will commence at all Kitchen Collection stores in the next few days and continue through the holiday selling season. Kitchen Collection has approximately 800 employees.

Gregory H. Trepp, president and chief executive officer of Hamilton Beach Brands Holding Company, said, "Kitchen Collection has been taking steps for some time to enhance its position and prospects by reducing its store portfolio to a core that we expected would support longer term profitability. While operating losses have moderated from the prior year in the first half of 2019, Kitchen Collection continues to experience decreased comparable store sales as a result of declining foot traffic due to the consumer shift to e-commerce sales. Despite our best efforts to return Kitchen Collection to profitability through footprint consolidation, further deterioration in foot traffic has lowered our outlook for the prospects of a future return to profitability and positive cash flow generation. We have evaluated strategic alternatives to maximize the value of the Kitchen Collection business and reached the difficult but necessary decision that it is in the best interests of the company and all of its stakeholders to wind down the business by the end of 2019. We deeply appreciate the outstanding hard work and dedication our Kitchen Collection leaders and employees have devoted to the business and to our customers."

#### **About Hamilton Beach Brands Holding Company**

Hamilton Beach Brands Holding Company is an operating holding company for Hamilton Beach Brands, Inc. and The Kitchen Collection, LLC. Hamilton Beach Brands is a leading designer, marketer and distributor of branded small electric household and specialty housewares appliances, as well as commercial products for restaurants, bars and hotels. Kitchen Collection is a national specialty retailer of kitchenware primarily in outlet malls throughout the United States. For more information about Hamilton Beach Brands Holding Company and its subsidiaries, visit the Company's website at [www.hamiltonbeachbrands.com](http://www.hamiltonbeachbrands.com).

#### **Forward Looking Statements**

The statements contained in this news release that are not historical facts are "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 forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially from those presented. The forward-looking information in this press release could be affected by many factors, including, without limitation, disruptions in operations, supplier relationships and employee relations given the decision to wind down Kitchen Collection's operations, unanticipated developments that may prevent or delay wind down activities, changes in financial markets, and

other factors listed in the Company's filings with the Securities and Exchange Commission, including, but not limited to, the Annual Report on Form 10-K. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

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