
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

April 3, 2020

Date of Report (date of earliest event reported)

CARMAX, INC.

(Exact name of registrant as specified in its charter)

Virginia (State or other jurisdiction of incorporation)	1-31420 (Commission File Number)	54-1821055 (I.R.S. Employer Identification No.)
12800 Tuckahoe Creek Parkway Richmond, Virginia (Address of Principal Executive Offices)		23238 (Zip Code)

(804) 747-0422

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 (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:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock	KMX	New York Stock Exchange

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 5.02 **Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

Effective immediately, CarMax, Inc. (the “Company”) President and CEO Bill Nash is forgoing 50% of his base salary and each member of the Company’s senior leadership team is also taking a reduction in pay (with the four Executive Vice Presidents and the six Senior Vice Presidents forgoing 30% and 20% of their base salaries, respectively), all until further notice. In addition, the CarMax Board of Directors has unanimously determined to forgo their cash retainer indefinitely.

Item 7.01 **Regulation FD Disclosure.**

On April 7, 2020, the Company issued a press release announcing its further response to the coronavirus pandemic, including its plan to furlough certain Company associates. Effective April 18, 2020, approximately 15,500 CarMax associates will be placed on furlough. The majority of furloughed associates are employed at CarMax stores that are currently closed due to government mandates. Any ongoing furlough determinations are subject to change due to future government mandates affecting store openings or closings, as well as future business conditions.

Additional steps the Company has taken to align costs with the state of the business include instituting a hiring freeze, reducing inventory levels, reducing marketing spend, ceasing store expansion activity and remodels, and halting the share repurchase program.

A copy of the press release is attached hereto 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 Item 7.01 of this Current Report on Form 8-K is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of such section or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. **Financial Statements and Exhibits.**

(d) Exhibits The following exhibit is being furnished pursuant to Item 7.01 above.

[99.1](#) Press Release, dated April 8, 2020, issued by CarMax, Inc., entitled “CarMax Business Update Related to Coronavirus”

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

Forward-Looking Statements

We caution readers that the statements contained in this Form 8-K about our future business plans, operations, challenges, opportunities or prospects, including without limitation any statements or factors regarding expected operating capacity, sales, expenses, liquidity, capital expenditures, debt obligations, or earnings, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by the use of words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “outlook,” “plan,” “predict,” “should,” “will” and other similar expressions, whether in the negative or affirmative. Such forward-looking statements are based upon management’s current knowledge and assumptions about future events and involve risks and uncertainties that could cause actual results to differ materially from anticipated results.

For more details on factors that could affect expectations, see our Annual Report on Form 10-K for the fiscal year ended February 28, 2019, and our quarterly or current reports as filed with or furnished to the U.S. Securities and Exchange Commission. Our filings are publicly available on our investor information home page at investors.carmax.com. Requests for information may also be made to the Investor Relations Department by email to investor_relations@carmax.com or by calling (804) 747-0422 x7865. We undertake no obligation to update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.

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.

CARMAX, INC.

(Registrant)

Dated: April 8, 2020

By: /s/ Eric M. Margolin

Eric M. Margolin

Executive Vice President, General Counsel and
Corporate Secretary

CarMax Business Update Related to Coronavirus

April 8, 2020 - Richmond, Virginia

CarMax is providing an update on significant adjustments to staffing levels and other company expenditures in response to the unprecedented coronavirus pandemic. Due to the current conditions where approximately half of CarMax's stores are closed or operating on a limited basis, and consumer demand has progressively deteriorated in recent weeks, CarMax is taking the following actions.

CarMax Associates

Effective April 18, approximately 15,500 CarMax associates will be placed on furlough. The majority of furloughed associates are employed at CarMax stores that are currently closed due to government mandates. Any ongoing furlough determinations are subject to change due to future government mandates affecting store openings or closings, as well as future business conditions.

"This has been a very difficult decision. Each and every one of our associates are incredibly important to us. We will not rest until we can start pulling our team back together," said Bill Nash, CarMax president and CEO. "I believe that these steps will help our company withstand the current environment and successfully emerge from these difficult times."

Prior to the effective date of any furlough, CarMax is providing transition pay to each impacted associate. In addition, for furloughed associates enrolled in CarMax's medical plan, CarMax will pay the current cost of the associate's portion of the medical plan, plus the employer portion, until further notice.

CarMax is providing resources to help associates understand the changes and take advantage of the assistance available under the new CARES Act, which should provide significant financial support for most furloughed employees.

Effective immediately, CarMax president and CEO Bill Nash is forgoing 50% of his salary, and each member of the company's senior leadership team is taking a reduction in pay until further notice. In addition, the CarMax Board of Directors has unanimously determined to forgo their cash retainer indefinitely.

Business Actions

Additional steps CarMax has taken to align costs with the state of the business include instituting a hiring freeze, reducing inventory levels, reducing marketing spend, ceasing store expansion activity and remodels, and halting the share repurchase program.

"We will continue to keep our stores open where permitted to support our customers' essential needs for reliable vehicles and to provide as many jobs as possible for our associates. For the safety of our associates and customers, we have implemented social distancing practices and enhanced cleaning measures in all locations. We are focused on positioning the company for a strong recovery when this crisis is over," said Nash.

Forward-Looking Statements

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For more details on factors that could affect expectations, see our Annual Report on Form 10-K for the fiscal year ended February 28, 2019, and our quarterly or current reports as filed with or furnished to the U.S. Securities and Exchange Commission. Our filings are publicly available on our investor information home page at investors.carmax.com. Requests for information may also be made to the Investor Relations Department by email to investor_relations@carmax.com or by calling (804) 747-0422 x7865. We undertake no obligation to update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.