

NU SKIN ENTERPRISES INC
Form 8-K
December 17, 2018

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

December 12, 2018
Date of Report (Date of earliest event reported)

NU SKIN ENTERPRISES, INC.
(Exact name of registrant as specified in its charter)

Delaware 001-12421 87-0565309
(State or other jurisdiction of incorporation) (Commission File Number) (IRS Employer Identification Number)

75 West Center Street
Provo, Utah 84601
(Address of principal executive offices and zip code)

(801) 345-1000
(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:

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))

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

Edgar Filing: NU SKIN ENTERPRISES INC - Form 8-K

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 December 12, 2018, Nu Skin Enterprises, Inc. (the “Company,” “we” or “our”) adopted a restructuring program. This program is a strategic plan to align our resources and capabilities to support our vision of being a world-leading business platform. We believe that this restructuring program will accelerate our ability to achieve our future growth objectives and priorities. It primarily impacts our information technology infrastructure and organization and other departments within our corporate and Americas offices. We expect that the actions contemplated under the restructuring program will be substantially completed by December 31, 2018.

We estimate that the implementation of the restructuring program will result in pre-tax charges of approximately \$70 million in the fourth quarter of 2018, consisting primarily of non-cash charges for the impairment of information technology infrastructure, including internally developed software, of approximately \$50 million and the balance related to severance payments and other related expenses. The Company determined that the impairment charge was required on December 13, 2018. These charges were not reflected in our previously announced 2018 fourth-quarter or full-year financial guidance.

Item 2.06 Material Impairments.

The information set forth in Item 2.05 is incorporated by reference herein.

Important Information Regarding Forward-Looking Statements: This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that represent the Company’s current expectations and beliefs. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws and include, but are not limited to, statements regarding the restructuring program, including its outcomes and anticipated charges and the timing of such charges. In some cases, you can identify these statements by forward-looking words such as “will,” “believe,” “expect,” “estimate,” “plan,” “would,” “could,” the negative of these words and other similar words. The forward-looking statements and related assumptions involve risks and uncertainties that could cause actual results and outcomes to differ materially from any forward-looking statements or views expressed herein. These risks and uncertainties include, but are not limited to, the Company’s ability to successfully execute the restructuring program; uncertainties that may delay or negatively impact the timing, completion, or anticipated outcomes and costs associated with the restructuring program; damage to the Company’s reputation; workforce attrition beyond planned reductions; and any legal challenges related to the restructuring program. Other risks and uncertainties that can affect actual results are set forth in the documents the Company has filed with the Securities and Exchange Commission. The forward-looking statements set forth the Company’s beliefs as of the date that such information was first provided, and the Company assumes no duty to update the forward-looking statements contained in this report to reflect any change except as required by law.

SIGNATURE

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.

NU SKIN
ENTERPRISES, INC.
(Registrant)

/s/ Mark H. Lawrence
Mark H. Lawrence
Chief Financial Officer

Date: December 17, 2018
