
**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): **March 20, 2017**

UNIROYAL GLOBAL ENGINEERED PRODUCTS, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of Incorporation)

000-50081
(Commission File Number)

65-1005398
(IRS Employer
Identification No.)

1800 2nd Street, Suite 970
Sarasota, FL 34236
(Address of principal executive offices)

(941) 906-8580
(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))
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Item 2.02 Results of Operations and Financial Condition.

On March 20, 2017, Uniroyal Global Engineered Products, Inc. issued a press release announcing its financial results for its year ended January 1, 2017. A copy of the press release is attached hereto as Exhibit 99.1.

Pursuant to General Instruction B.2 of Current Report on Form 8-K, the information in this Item 2.02 is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise be subject to the liability of that section. Furthermore, the information in this Item 2.02 shall not be deemed to be incorporated by reference into the filings of the Company under the Securities Act of 1933, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Press Release, dated March 20, 2017, issued by Uniroyal Global Engineered Products, Inc., announcing earnings results. |

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.

UNIROYAL GLOBAL ENGINEERED PRODUCTS, INC.

Date: March 20, 2017

By: /s/ Howard R. Curd
Howard R. Curd
Chief Executive Officer



Press Release

Uniroyal Global Engineered Products, Inc. Reports Net Sales of \$100,377,278 and Net Income of \$4,499,664 or \$0.24 per Diluted Share for the Fiscal Year Ended January 1, 2017

Financial Highlights for the Fiscal Year Ended January 1, 2017 versus Prior Year:

- *Net Sales increase 0.6% (3.6% ex-currency)
- *Gross Margins expand to 22.8%
- *Operating Income increases 11.1%
- *Income before tax benefit increases 11.2%
- *Diluted Earnings Per Common Share \$0.24 versus \$0.26 on lower tax benefit

Net Sales

Net Sales for the fiscal year increased to \$100,377,278, a gain of \$615,305 or 0.6% versus the prior year. Included in these figures is a negative currency translation of \$2.9 million due to the continued weakness in the British Pound. Also, fiscal 2015 was a 53-week period which, on a comparable basis, benefited Net Sales approximately \$500,000 as compared to this year which was a 52-week period. Without the effect of currency rate exchange and the additional week of sales in 2015, Net Sales would have increased 4.1%.

The Global Automotive Sector, representing 64.9% of total Net Sales, increased \$3.9 million or 6.0% versus the prior year as a result of the Company being awarded several new programs both in Europe and domestically. The new platforms and programs should also benefit the automotive sector in fiscal 2017. Before the negative currency translation, the increase in the Global Automotive Sector would have been \$6.6 million or 10.1%.

The Industrial Sector declined \$3.3 million or 9.4% in fiscal 2016 as major off-highway equipment manufacturers were impacted by a very challenging economic environment. Before the negative currency translation, the decrease in the Industrial Sector would have been \$3.1 million or 8.6%.

Operating Income

Gross Profit margins improved to 22.8% versus 22.0% last year. The margin improvement is due in part to the capital projects in Europe put in place last year specifically targeted to operating efficiencies and continued progress on our lean manufacturing and continuous improvement initiatives.

Operating Income was up sharply in 2016, increasing 11.1% versus the prior year to \$8,046,665 or 8.0% of Net Sales, an increase of \$807,124 from the \$7,239,541 or 7.3% reported last year. Operating expenses were in line with the prior year. Spending on Research and Development projects remained robust in 2016 at \$1,727,616 or 1.7% of Net Sales.

“Despite some major economic headwinds in 2016, we recorded significant operational improvement. Our focus for 2017 will continue to be on the development of new products and technical improvement in automotive and industrial applications as well as capital spending initiatives to further enhance a strengthening in margins,” said Howard R. Curd, Chairman and Chief Executive Officer.

Net Income Available to Common Shareholders

Net Income before taxes increased \$620,116 or 11.2% to \$6,180,905 versus the \$5,560,789 reported last year primarily due to the expansion of Operating Margins.

Net Income Available to Common Shareholders declined 9.1% to \$4,499,664 versus the \$4,952,156 reported last year. Offsetting the improved operational performance was a significant decline in the tax benefit versus the previous year primarily related to the reduction in the Company’s U.S. deferred tax valuation allowance.

For further details, see the Consolidated Statements of Operations in the Company’s Form 10-K filed on March 20, 2017. The Company will have comments on the year in an earning conference call on March 21, 2017 at 9:00 am (EST). Persons wishing to access the conference call may do so by dialing 800-732-8711 (U.S.) and 913-312-0711 (International), and using the ID #2350165. Howard F. Curd, President, will discuss our earnings on the call and will be available for questions. The call will also be available by logging on to www.uniroyalglobal.com and accessing the webcast link (<https://public.viavid.com/player/index.php?id=123426>) in the investor relations section. A replay of the conference call will be available beginning March 21, 2017 through June 21, 2017 by calling (844) 512-2921 (US) or (412) 317-6671 (International) and Pin #2350165.

About Uniroyal Global Engineered Products, Inc.:

[Uniroyal Global Engineered Products, Inc.](#) (UNIR) is a leading manufacturer of vinyl coated fabrics that are durable, stain resistant, cost-effective alternatives to leather, cloth and other synthetic fabric coverings. Uniroyal Global Engineered Products, Inc.’s revenue in 2016 was derived 65% from the automotive industry and approximately 35% from the recreational, industrial, indoor and outdoor furnishings, hospitality and health care markets. Our primary brand names include [Naugahyde®](#), [BeautyGard®](#), [Flameblocker™](#), [Spirit Millennium®](#), [Ambla®](#), [Amblon®](#), [Velbex®](#), [Cirroflex®](#), [Plastolene®](#) and [Vynide®](#).

Forward-Looking Statements:

Except for statements of historical fact, certain information contained in this press release constitutes forward-looking statements, including, without limitation, statements containing the words “believe,” “expect,” “anticipate,” “intend,” “should,” “planned,” “estimated” and “potential” and words of similar import, as well as all references to the future. These forward-looking statements are based on Uniroyal Global Engineered Products, Inc.’s current expectations. The Company cautions investors that any forward-looking statements made by the Company are not guarantees of future performance and that a variety of factors could cause the Company’s actual results and experience to differ materially from the anticipated results or other expectations expressed in the Company’s forward-looking statements. The risks and uncertainties which may affect the operations, performance, development and results of the Company’s business include, but are not limited to, the following: uncertainties relating to economic conditions, uncertainties relating to customer plans and commitments, the pricing and availability of equipment, materials and inventories, currency fluctuations, technological developments, performance issues with suppliers, economic growth, delays in testing of new products, the Company’s ability to successfully integrate acquired operations, the Company’s dependence on key personnel, the Company’s ability to protect its intellectual property rights, the effectiveness of cost-reduction plans, rapid technology changes and the highly competitive environment in which the Company operates. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statement was made.

Uniroyal Global Engineered Products, Inc.
Consolidated Statements of Operations

| | Years Ended | |
|--|------------------------|------------------------|
| | January 1, 2017 | January 3, 2016 |
| NET SALES | \$ 100,377,278 | \$ 99,761,973 |
| COST OF GOODS SOLD | <u>77,515,316</u> | <u>77,813,354</u> |
| Gross Profit | 22,861,962 | 21,948,619 |
| OPERATING EXPENSES: | | |
| Selling | 5,078,706 | 5,201,199 |
| General and administrative | 8,008,975 | 7,779,012 |
| Research and development | 1,727,616 | 1,728,867 |
| OPERATING EXPENSES | <u>14,815,297</u> | <u>14,709,078</u> |
| Operating Income | <u>8,046,665</u> | <u>7,239,541</u> |
| OTHER EXPENSE: | | |
| Interest and other debt related expense | (1,616,120) | (1,613,391) |
| Other expense | (249,640) | (65,361) |
| Net Other Expense | <u>(1,865,760)</u> | <u>(1,678,752)</u> |
| INCOME BEFORE TAX BENEFIT | 6,180,905 | 5,560,789 |
| TAX BENEFIT | <u>(1,198,557)</u> | <u>(2,193,054)</u> |
| NET INCOME | 7,379,462 | 7,753,843 |
| Preferred stock dividend | <u>(2,879,798)</u> | <u>(2,801,687)</u> |
| NET INCOME AVAILABLE TO COMMON SHAREHOLDERS | <u>\$ 4,499,664</u> | <u>\$ 4,952,156</u> |
| EARNINGS PER COMMON SHARE: | | |
| Basic | <u>0.24</u> | <u>0.35</u> |
| Diluted | <u>0.24</u> | <u>0.26</u> |
| WEIGHTED AVERAGE SHARES OUTSTANDING: | | |
| Basic | <u>18,828,378</u> | <u>14,334,485</u> |
| Diluted | <u>18,869,709</u> | <u>19,040,032</u> |

Uniroyal Global Engineered Products, Inc.
Consolidated Balance Sheets

| ASSETS | January 1, 2017 | January 3, 2016 |
|---|----------------------|----------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,321,586 | \$ 1,910,112 |
| Accounts receivable, net | 14,555,463 | 14,209,056 |
| Inventories, net | 17,046,171 | 17,527,728 |
| Other current assets | 2,485,213 | 2,891,007 |
| Related party receivable | 25,456 | 23,298 |
| Total Current Assets | <u>35,433,889</u> | <u>36,561,201</u> |
| PROPERTY AND EQUIPMENT, NET | | |
| | <u>13,611,494</u> | <u>14,003,276</u> |
| OTHER ASSETS | | |
| Intangible assets | 3,133,564 | 3,534,936 |
| Goodwill | 1,079,175 | 1,079,175 |
| Other long-term assets | 5,410,375 | 3,095,414 |
| Total Other Assets | <u>9,623,114</u> | <u>7,709,525</u> |
| TOTAL ASSETS | <u>\$ 58,668,497</u> | <u>\$ 58,274,002</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Checks issued in excess of bank balance | \$ 679,494 | \$ 322,307 |
| Lines of credit | 16,799,592 | 16,577,279 |
| Current maturities of long-term debt | 851,988 | 639,018 |
| Current maturities of capital lease obligations | 368,718 | 489,978 |
| Accounts payable | 7,331,213 | 7,592,510 |
| Accrued expenses | 3,645,526 | 3,941,296 |
| Related party obligation | 371,161 | 276,880 |
| Current portion of postretirement benefit liability - health and life | 158,527 | 136,725 |
| Total Current Liabilities | <u>30,206,219</u> | <u>29,975,993</u> |
| LONG-TERM LIABILITIES | | |
| Long-term debt, less current portion | 1,994,910 | 2,134,243 |
| Capital lease obligations, less current portion | 856,171 | 1,469,317 |
| Related party lease financing obligations | 2,162,151 | 2,164,682 |
| Long-term debt to related parties | 2,826,907 | 4,449,243 |
| Postretirement benefit liability - health and life, less current portion | 2,883,684 | 2,836,638 |
| Other long-term liabilities | 838,308 | 975,781 |
| Total Long-Term Liabilities | <u>11,562,131</u> | <u>14,029,904</u> |
| Total Liabilities | <u>41,768,350</u> | <u>44,005,897</u> |
| STOCKHOLDERS' EQUITY | | |
| Preferred units, Series A UEP Holdings, LLC, 200,000 units issued and outstanding (\$100 issue price) | 617,571 | 617,571 |
| Preferred units, Series B UEP Holdings, LLC, 150,000 units issued and outstanding (\$100 issue price) | 463,179 | 463,179 |
| Preferred stock, Engineered Products Acquisition Limited, 50 shares issued and outstanding (\$1.51 stated value) | 75 | 75 |
| Common stock, 95,000,000 shares authorized (\$.001 par value) 18,727,782 and 18,890,909 shares issued and outstanding as of January 1, 2017 and January 3, 2016, respectively | 18,728 | 18,892 |
| Additional paid-in capital | 34,653,894 | 34,823,886 |
| Accumulated deficit | (17,174,814) | (21,674,478) |
| Accumulated other comprehensive income | (1,678,486) | 18,980 |
| Total Stockholders' Equity | <u>16,900,147</u> | <u>14,268,105</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | <u>\$ 58,668,497</u> | <u>\$ 58,274,002</u> |

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