

# EDGEWATER TECHNOLOGY INC/DE/

## **FORM 8-K** (Current report filing)

Filed 03/09/17 for the Period Ending 03/08/17

Address	200 HARVARD MILL SQUARE SUITE 210 WAKEFIELD, MA 01880
Telephone	781-213-9854
CIK	0001017968
Symbol	EDGW
SIC Code	7370 - Computer Programming, Data Processing, And
Industry	IT Services & Consulting
Sector	Technology
Fiscal Year	12/31

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

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**FORM 8-K**

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**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 8, 2017

**EDGEWATER TECHNOLOGY, INC.**

(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**000-20971**  
(Commission File Number)

**71-0788538**  
(I.R.S. Employer Identification Number)

**200 Harvard Mill Square Suite 210, Wakefield, Massachusetts 01880**

(Address of Principal Executive Offices) (Zip Code)

**(781) 246-3343**

(Registrant's telephone number, including area code)

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

***Removal of President, Chief Executive Officer and Chairman of the Board***

On March 8, 2017, the Board of Directors (the “Board”) of Edgewater Technology, Inc., a Delaware corporation (the “Company”), voted to remove without cause Shirley Singleton as the Company’s President and Chief Executive Officer, effective immediately. The Board also voted to remove Ms. Singleton as Chairman of the Board. Ms. Singleton continues to serve as a member of the Board.

The Employment Agreement, dated as of June 12, 2007, as amended, with Ms. Singleton provides that, if Ms. Singleton is terminated without cause, then the Company is required to pay Ms. Singleton a lump-sum payment equal to two (2) times her annual base salary in effect at the time of such termination plus an amount equal to her bonus target for 2016. In no event will the bonus paid exceed one (1) year’s annual base salary. The total amounts due will be payable in two installments: (a) thirty (30) days after the date of termination, a first payment equal to the greater of (i) \$510,000 or (ii) two (2) times Ms. Singleton’s annual base salary in effect at the time of such termination; and (b) six months after the date of such termination, a second payment equal to the excess of (i) the amount of the severance payment, over (ii) the amount paid under section (a) above. In addition, all unvested options and restricted stock awards become immediately vested and exercisable, and Ms. Singleton’s healthcare, life insurance and disability coverage continue for a period of two years following termination.

***Appointment of Interim President and Interim Chief Executive Officer; Election of Chairman of the Board***

On March 8, 2017, the Board appointed Jeffrey L. Rutherford, age 56, as Interim President and Interim Chief Executive Officer, effective immediately. The Board also elected Mr. Rutherford as Chairman of the Board, effective immediately. Mr. Rutherford joined the Board on February 16, 2017.

Mr. Rutherford served as Vice President and Chief Financial Officer at Ferro Corporation (NYSE: FOE), an international coatings and colors manufacturing business, from April 2012 to September 2016. From July 2008 to April 2012, Mr. Rutherford served as Vice President and Chief Financial Officer at Park-Ohio Holdings Corp (NASDAQ: PKOH), an international industrial supply and diversified manufacturing business. Mr. Rutherford served as the Vice President and Chief Financial Officer at UAP Holdings Corp. from October 2007 to June 2008. At the time UAP Holdings Corp. (NASDAQ: UAPH) was a publicly traded company that distributed agricultural inputs throughout North America. In 2008, UAP Holdings Corp. was acquired by Agrium Inc. (NYSE: AGU). Previously, Mr. Rutherford served as the President, Chief Executive Officer and Chief Financial Officer at LESCO, Inc. (NASDAQ: LSCO), which at the time was a publicly traded company that distributed inputs to the professional turf industry, from 2002 to 2007. Mr. Rutherford also served on the board of directors of LESCO, Inc., from 2006 to 2007. LESCO, Inc. was subsequently acquired by Deere & Co. (NYSE: DE) in 2007. Mr. Rutherford served as Chief Financial Officer and Senior Executive Vice President of OfficeMax, Inc. (formerly NYSE: OMX), a retailer of office products and supplies, from 1997 to 2002, after having previously served as its Senior Vice President and Treasurer, from February to July 1997. From 1983 to 1996, Mr. Rutherford worked at Arthur Andersen, a consulting and accounting firm. Mr. Rutherford earned his Bachelor’s degree in Business Administration and Accounting from Baldwin Wallace College.

***Lead Independent Director; Committee Matters***

On March 8, 2017, the Board elected Frederick DiSanto as its Lead Independent Director and appointed members of the Board to the following Board Committees:

**Audit Committee**

Nancy Leaming, Chair

Timothy Whelan

Kurtis Wolf

**Compensation Committee**

Stephen Bova, Chair

Matthew Carpenter

Nancy Leaming

**Governance and Nominating Committee**

Timothy Whelan, Chair

Matthew Carpenter

Kurtis Wolf

***Change in Executive Compensation***

On March 8, 2017, the Compensation Committee of the Board of Directors (the “Committee”) of Edgewater Technology, Inc. (the “Company”) adopted and approved changes to the existing compensation arrangements for the Company’s named executive officers and established an annual base salary compensation level for Mr. Rutherford in connection with his appointment as Interim President and Interim Chief Executive Officer.

The Committee approved an increase to the annual base salary compensation level, effective January 1, 2017, for Robin Ranzal-Knowles, the President of Edgewater Technology-Ranzal, Inc. (to \$425,000 from \$375,000), Timothy R. Oakes, the Company’s Chief Financial Officer (to \$350,000 from \$325,000), and Kristin Zaepfel, the Company’s Vice President, Human Resources (to \$225,000 from \$215,000). The Committee also established an annual base salary for Mr. Rutherford of \$392,500.

**Item 8.01. Other Events.**

On March 9, 2017, the Company issued a press release (the “Press Release”) relating to the removal of Ms. Singleton as Chief Executive Officer and the appointment of Mr. Rutherford as Interim Chief Executive Officer. A copy of the Press Release is filed as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.****(d) Exhibits.**

<b><u>Exhibit Number</u></b>	<b><u>Description of Exhibit</u></b>
99.1	Press Release of Edgewater Technology, Inc., dated March 9, 2017.

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**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.

**EDGEWATER TECHNOLOGY, INC.**

Date: March 9, 2017

By: /s/ Timothy R. Oakes  
Timothy R. Oakes  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

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**Exhibit Index**

**Exhibit Number**      **Description of Exhibit**

[99.1](#)                      Press Release of Edgewater Technology, Inc., dated March 9, 2017.

## **Edgewater Announces Appointment of Chairman and Interim President and CEO**

WAKEFIELD, Mass., March 09, 2017 (GLOBE NEWSWIRE) -- Edgewater Technology, Inc. (NASDAQ:EDGW), a leading consulting firm that helps business leaders drive transformational change through its unique selection of business and technology services and specialized product-based solutions, announced that the Company's Board of Directors (the "Board") has named Jeffrey L. Rutherford, a member of the Company's Board, as Chairman and interim President and CEO, replacing Shirley Singleton. Mr. Rutherford's appointment is effective immediately.

"Jeff brings a wealth of value creation experience and leadership capabilities that the Company needs to guide it through this time of transition," commented Fred DiSanto, the Board's Lead Independent Director. "We look forward to working with Jeff and the Company's employees to realize the value of the business."

Mr. Rutherford served as Vice President and Chief Financial Officer at Ferro Corporation, an international coatings and colors manufacturing business, from April 2012 to September 2016. From July 2008 to April 2012, Mr. Rutherford served as Vice President and Chief Financial Officer at Park-Ohio Holdings Corp, an international industrial supply and diversified manufacturing business. Mr. Rutherford served as the Vice President and Chief Financial Officer at UAP Holdings Corp. from October 2007 to June 2008. At the time UAP Holdings Corp. was a publicly traded company that distributed agricultural inputs throughout North America. In 2008, UAP Holdings Corp. was acquired by Agrium Inc. Previously, Mr. Rutherford served as the President, Chief Executive Officer and Chief Financial Officer at LESCO, Inc. , which at the time was a publicly traded company that distributed inputs to the professional turf industry, from 2002 to 2007. Mr. Rutherford also served on the board of directors of LESCO, Inc., from 2006 to 2007. LESCO, Inc. was subsequently acquired by Deere & Co. in 2007. Mr. Rutherford served as Chief Financial Officer and Senior Executive Vice President of OfficeMax, Inc., a retailer of office products and supplies, from 1997 to 2002, after having previously served as its Senior Vice President and Treasurer, from February to July 1997. From 1983 to 1996, Mr. Rutherford worked at Arthur Andersen, a consulting and accounting firm. Mr. Rutherford earned his Bachelor's degree in Business Administration and Accounting from Baldwin Wallace College.

"I look forward to working with management and the Board during this period of change. I am excited about the Company's prospects and opportunities to create value for all of Edgewater's stakeholders," said Mr. Rutherford.

### **About Edgewater**

Edgewater helps business leaders drive transformational change through its unique selection of business and technology services and specialized product-based solutions.

Classic consulting disciplines (such as business advisory, process improvement, organizational change management, M&A due diligence, and domain expertise) are blended with technical services (such as digital transformation, technical roadmaps, data and analytics services, custom development, and system integration) to help organizations get the most out of their existing IT assets while creating new digital business models.

Delivering both on premise and in the cloud, Edgewater partners with Oracle and Microsoft to offer Business Analytics, BI, ERP, and CRM solutions. Edgewater Ranzal, an Oracle Platinum Consulting Partner, provides Business Analytics solutions leveraging Oracle EPM, BI, and Big Data technologies. As an award-winning Microsoft partner, Edgewater Fullscope delivers Dynamics AX ERP, Business Intelligence, and CRM solutions, with a specialty in manufacturing.

### **Contacts**

For Edgewater -

Company/Investor Contact:

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