

KOSS CORP

FORM 8-K (Current report filing)

Filed 08/18/16 for the Period Ending 08/18/16

Address	4129 N PORT WASHINGTON AVE MILWAUKEE, WI 53212
Telephone	4149645000
CIK	0000056701
Symbol	KOSS
SIC Code	3651 - Household Audio and Video Equipment
Industry	Audio & Video Equipment
Sector	Consumer Cyclical
Fiscal Year	06/30

**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): August 18, 2016

Koss Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other
Jurisdiction of
Incorporation)

0-3295
(Commission File
Number)

39-1168275
(IRS Employer
Identification No.)

4129 North Port Washington Avenue, Milwaukee, Wisconsin 53212
(Address of principal executive offices) (Zip code)

(414) 964-5000
(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:

- 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))

Item 2.02 Results of Operations and Financial Condition.

On August 18, 2016 , Koss Corporation issued a press release announcing its financial results for the quarter and fiscal year ended June 30, 2016 . A copy of the press release is being furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

The information in this report is being furnished pursuant to Item 2.02 Results of Operations and Financial Condition. In accordance with General Instruction B.2 of Form 8-K, the information in this report shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Number	Description
Exhibit 99.1	Press release of Koss Corporation dated August 18, 2016.

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.

August 18, 2016

KOSS CORPORATION

By: /s/ Michael J. Koss

Michael J. Koss

Chairman and Chief Executive Officer



NEWS RELEASE

4129 NORTH PORT WASHINGTON AVENUE, MILWAUKEE, WI 53212 / 414 964-5000 / WWW.KOSS.COM

FOR IMMEDIATE RELEASE

August 18, 2016

CONTACT: Michael J. Koss
Chairman & CEO
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Koss Corp Q4 Sales Up 26%

Milwaukee, Wisconsin: Koss Corporation (NASDAQ SYMBOL: KOSS), the U.S. based high-fidelity headphone company, has reported its fourth quarter results for the quarter ended June 30, 2016 .

"We are very pleased with the strong sales in the fourth quarter and the increase for the year. The Company is beginning to see the results from efforts to grow the export distributor business and export OEM business. Spotty performance across the US markets tempered the overall results," Michael J. Koss, Chairman and CEO, told employees here today. "Specialized domestic niche markets can be choppy and we experienced lower activity in several of them this year after some outstanding improvements in fiscal year 2015."

Sales for the fourth quarter were \$7,238,684 , which is a 26.6% increase from sales of \$5,718,865 for the same three month period one year ago. The three month net income was \$233,487 , compared to net income of \$354,808 for the fourth quarter last year. Diluted and basic income per common share for the quarter was \$0.03 compared to \$0.05 for the three month period one year ago.

"We have partnered with a new Pan-Asian distributor and our sales in the region are beginning to grow as the new distributor extends Koss products into its retail and distribution network. The new distributor was initially focused exclusively on China during the first six months of fiscal year 2016 and has now expanded its efforts throughout the region," Koss continued. Koss noted that the growth of export OEM business and new product introductions also helped to increase sales.

Sales overall for the twelve months ended June 30, 2016 increased by 7.3% to \$26,001,346 compared with \$24,230,056 for the same twelve month period a year ago. Twelve month net income was \$1,389,000 compared to \$482,613 for the same twelve months last year. Diluted and basic income per common share was \$0.19 compared with \$0.07 for the same twelve month period a year ago.

...

Koss Corporation markets a complete line of high-fidelity headphones, wireless Bluetooth® speakers, computer headsets, telecommunications headsets, active noise canceling headphones, wireless headphones, and compact disc recordings of American Symphony Orchestras on the Koss Classics® label.

This press release contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "may," "will," "should," "forecasts,"

"predicts," "potential," "continue," or the negative of such terms and other comparable terminology. These statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Actual events or results may differ materially. In evaluating forward-looking statements, you should specifically consider various factors that may cause actual results to vary from those contained in the forward-looking statements, such as general economic conditions, in particular, consumer demand for the Company's and its customers' products, competitive and technological developments, foreign currency fluctuations, and costs of operations. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances or new information. In addition, such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission.

KOSS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	June 30		June 30	
	2016	2015	2016	2015
Net sales	\$ 7,238,684	\$ 5,718,865	\$ 26,001,346	\$ 24,230,056
Cost of goods sold	4,717,610	3,638,434	17,058,774	15,781,489
Gross profit	<u>2,521,074</u>	<u>2,080,431</u>	<u>8,942,572</u>	<u>8,448,567</u>
Selling, general and administrative expenses	2,098,859	1,897,769	7,959,460	7,904,739
Unauthorized transaction related (recoveries) costs, net	—	(47,543)	(1,286,001)	31,027
Interest expense	—	—	6,075	12,813
Income before income tax provision	<u>422,215</u>	<u>230,205</u>	<u>2,263,038</u>	<u>499,988</u>
Income tax provision (benefit)	<u>188,728</u>	<u>(124,603)</u>	<u>874,038</u>	<u>17,375</u>
Net income	<u>\$ 233,487</u>	<u>\$ 354,808</u>	<u>\$ 1,389,000</u>	<u>\$ 482,613</u>
Income per common share:				
Basic	<u>\$ 0.03</u>	<u>\$ 0.05</u>	<u>\$ 0.19</u>	<u>\$ 0.07</u>
Diluted	<u>\$ 0.03</u>	<u>\$ 0.05</u>	<u>\$ 0.19</u>	<u>\$ 0.07</u>