

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) July 28, 2016

ROCKY BRANDS, INC.

(Exact name of registrant as specified in its charter)

Ohio

(State or other jurisdiction of incorporation)

001-34382

(Commission File Number)

31-1364046

(IRS Employer Identification No.)

39 East Canal Street, Nelsonville, Ohio

(Address of principal executive offices)

45764

(Zip Code)

Registrant's telephone number, including area code (740) 753-1951

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))

**Item 2.02 Results of Operations and Financial Condition.**

On July 28, 2016, Rocky Brands, Inc. (the “Company”) issued a press release entitled “Rocky Brands, Inc. Announces Second Quarter 2016 Results” regarding its consolidated financial results for the quarter ended June 30, 2016. A copy of the Company’s press release is furnished as Exhibit 99 to this Form 8-K and is incorporated herein by reference.

The information in this Form 8-K and accompanying press release is being furnished under Item 2.02 and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

The information contained or incorporated by reference in this Form 8-K contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act, which are intended to be covered by the safe harbors created thereby. Those statements include, but may not be limited to, all statements regarding intent, beliefs, expectations, projections, forecasts, and plans of the Company and its management and include statements in the accompanying press release regarding improved profitability and increased shareholder value (paragraph 3). These forward-looking statements involve numerous risks and uncertainties, including, without limitation, the various risks inherent in the Company’s business as set forth in periodic reports filed with the Securities and Exchange Commission, including the Company’s annual report on Form 10-K for the year ended December 31, 2015 (filed March 3, 2016) and quarterly report on Form 10-Q for the period ended March 31, 2016 (filed April 29, 2016). One or more of these factors have affected historical results, and could in the future affect the Company’s businesses and financial results in future periods and could cause actual results to differ materially from plans and projections. Therefore, there can be no assurance that the forward-looking statements contained or incorporated by reference in this Form 8-K will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included or incorporated by reference herein, the Company, or any other person should not regard the inclusion of such information as a representation that the objectives and plans of the Company will be achieved. All forward-looking statements contained or incorporated by reference in this Form 8-K are based on information presently available to the management of the Company. The Company assumes no obligation to update any forward-looking statements.

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

**(d) Exhibits.**

<i>Exhibit No.</i>	<i>Description</i>
99*	Press Release, dated July 28, 2016, entitled "Rocky Brands, Inc. Announces Second Quarter 2016 Results."

\* Such press release is being "furnished" (not filed) under Item 2.02 of this Current Report on Form 8-K.

**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.

**Rocky Brands, Inc.**

Date: July 28, 2016

By: /s/ James E. McDonald  
James E. McDonald,  
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

<i>Exhibit No.</i>	<i>Description</i>
99*	Press Release, dated July 28, 2016, entitled "Rocky Brands, Inc. Announces Second Quarter 2016 Results."

\* Such press release is being "furnished" (not filed) under Item 2.02 of this Current Report on Form 8-K.

**ROCKY BRANDS, INC.**

Company Contact: Jim McDonald  
Chief Financial Officer  
(740) 753-1951

Investor Relations: ICR, Inc.  
Brendon Frey  
(203) 682-8200

**Rocky Brands, Inc. Announces Second Quarter 2016 Results**  
Funded Debt Decreased 34.0% to \$23.5 Million

NELSONVILLE, Ohio, July 28, 2016 – Rocky Brands, Inc. (NASDAQ: RCKY) today announced financial results for its second quarter ended June 30, 2016.

**Second Quarter 2016 Sales and Income**

Second quarter net sales were \$62.6 million compared to \$68.6 million in the second quarter of 2015. The Company reported a second quarter net loss of \$1.8 million, or \$0.23 per diluted share compared to net income of \$2.0 million, or \$0.26 per diluted share in the second quarter of 2015.

David Sharp, President and Chief Executive Officer, commented, “Much as they did in the first quarter, elevated inventories in the Western, Work, and Hunting channels negatively impacted sales and margins in our wholesale business. Softening of local economies, especially those where oil and gas exploration had been significant, and weak store traffic across retail contributed to our poor performance. The wholesale sales decline was partially offset by a significant gain in our military sales. However, our need to ramp up our internal production capabilities to meet the increase in military footwear demand resulted in additional costs, including labor and training that has temporarily pressured gross margins. While we are disappointed in our recent results, we continue to be confident that the strategic course we’ve set for the company will lead to improved profitability and greater shareholder value over the long-term.”

**Second Quarter Review**

Net sales for the second quarter were \$62.6 million compared to \$68.6 million a year ago. Wholesale sales for the second quarter decreased 23% to \$41.5 million compared to \$53.9 million for the same period in 2015. Retail sales for the second quarter increased 2% to \$10.4 million compared to \$10.2 million for the same period last year. Military segment sales for the second quarter increased 139% to \$10.7 million compared to \$4.5 million in the second quarter of 2015.

Gross margin in the second quarter of 2016 was \$16.3 million, or 26.0% of sales, compared to \$22.6 million, or 33.0% of sales, for the same period last year. The 700 basis point decrease was primarily driven by increased costs related to the ramp up in production capabilities to meet the increased military footwear demand. Also, military segment sales carry lower initial gross margins than our wholesale and retail segments, therefore the increase in military segment sales in the quarter reduced the overall blended margin.

Selling, general and administrative (SG&A) expenses were \$18.8 million, or 30.1% of net sales, for the second quarter of 2016 compared to \$19.4 million, or 28.3% of net sales, a year ago. The \$0.6 million decrease in SG&A expenses was primarily related to lower variable expenses associated with the decrease in wholesale sales.

Loss from operations was \$2.5 million compared to income from operations of \$3.3 million, or 4.7%, of net sales, a year ago.

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Interest expense was \$142,000 for the second quarter of 2016, versus \$176,000 for the same period last year.

The Company's funded debt decreased \$12.1 million, or 34.0%, to \$23.5 million at June 30, 2016 versus \$35.6 million at June 30, 2015.

Inventory at June 30, 2016 was \$87.6 million compared with \$86.5 million on the same date a year ago. The slight increase in inventories year-over-year was driven by the buildup of raw materials ahead of the ramp up in military footwear production and lower than anticipated wholesale sales in the second quarter. The company is comfortable with the quality of its inventories.

#### **Conference Call Information**

The Company's conference call to review second quarter 2016 results will be broadcast live over the internet today, Thursday, July 28, 2016 at 4:30 pm Eastern Time. The broadcast will be hosted at <http://www.rockybrands.com>.

#### **About Rocky Brands, Inc.**

Rocky Brands, Inc. is a leading designer, manufacturer and marketer of premium quality footwear and apparel marketed under a portfolio of well recognized brand names including Rocky®, Georgia Boot®, Durango®, Lehigh®, Creative Recreation®, and the licensed brand Michelin®.

#### **Safe Harbor Language**

This press release contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Those statements include, but may not be limited to, all statements regarding intent, beliefs, expectations, projections, forecasts, and plans of the Company and its management, and include statements in this press release regarding improved profitability and increased shareholder value (paragraph 3). These forward-looking statements involve numerous risks and uncertainties, including, without limitation, the various risks inherent in the Company's business as set forth in periodic reports filed with the Securities and Exchange Commission, including the Company's annual report on Form 10-K for the year ended December 31, 2015 (filed March 3, 2016) and quarterly report on Form 10-Q for the period ended March 31, 2016 (filed April 29, 2016). One or more of these factors have affected historical results, and could in the future affect the Company's businesses and financial results in future periods and could cause actual results to differ materially from plans and projections. Therefore there can be no assurance that the forward-looking statements included in this press release will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the Company, or any other person should not regard the inclusion of such information as a representation that the objectives and plans of the Company will be achieved. All forward-looking statements made in this press release are based on information presently available to the management of the Company. The Company assumes no obligation to update any forward-looking statements.

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**Rocky Brands, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**

	June 30, 2016 Unaudited	December 31, 2015 Audited	June 30, 2015 Unaudited
<b>ASSETS:</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 2,470,576	\$ 3,407,140	\$ 4,526,938
Trade receivables – net	42,188,601	44,549,207	58,073,165
Other receivables	587,779	583,479	605,019
Inventories	87,555,956	76,991,059	86,478,155
Income tax receivable	2,179,525	128,699	56,540
Deferred income taxes	1,031,818	1,031,818	1,291,907
Prepaid expenses	2,886,973	2,530,517	2,672,643
Total current assets	<u>138,901,228</u>	<u>129,221,919</u>	<u>153,704,367</u>
FIXED ASSETS – net	27,896,273	27,836,527	25,258,833
IDENTIFIED INTANGIBLES	36,481,414	36,547,873	36,615,202
OTHER ASSETS	245,934	258,812	269,620
<b>TOTAL ASSETS</b>	<u>\$ 203,524,849</u>	<u>\$ 193,865,131</u>	<u>\$ 215,848,022</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY:</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 21,892,208	\$ 9,118,555	\$ 19,436,481
Accrued other expenses	7,380,567	5,629,661	7,117,467
Total current liabilities	<u>29,272,775</u>	<u>14,748,216</u>	<u>26,553,948</u>
LONG TERM DEBT	23,503,226	23,700,089	35,593,360
DEFERRED INCOME TAXES	13,000,609	13,000,609	12,928,048
DEFERRED LIABILITIES	<u>227,345</u>	<u>295,676</u>	<u>389,208</u>
<b>TOTAL LIABILITIES</b>	66,003,955	51,744,590	75,464,564
<b>SHAREHOLDERS' EQUITY:</b>			
Common stock, no par value;			
25,000,000 shares authorized; issued and outstanding June 30, 2016 - 7,481,022; December 31, 2015 - 7,567,271; June 30, 2015 - 7,562,069	69,890,665	70,882,392	70,667,372
Retained earnings	<u>67,630,229</u>	<u>71,238,149</u>	<u>69,716,086</u>
Total shareholders' equity	<u>137,520,894</u>	<u>142,120,541</u>	<u>140,383,458</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u>\$ 203,524,849</u>	<u>\$ 193,865,131</u>	<u>\$ 215,848,022</u>

**Rocky Brands, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
NET SALES	\$ 62,560,094	\$ 68,583,196	\$ 120,090,039	\$ 134,034,499
COST OF GOODS SOLD	46,296,834	45,934,563	84,915,887	89,414,556
GROSS MARGIN	16,263,260	22,648,633	35,174,152	44,619,943
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	18,807,595	19,395,298	37,939,489	38,963,245
INCOME FROM OPERATIONS	(2,544,335)	3,253,335	(2,765,337)	5,656,698
OTHER INCOME AND (EXPENSES):				
Interest expense	(142,215)	(176,186)	(278,191)	(341,262)
Other – net	19,221	4,524	86,749	(58,816)
Total other - net	(122,994)	(171,662)	(191,442)	(400,078)
INCOME BEFORE INCOME TAXES	(2,667,329)	3,081,673	(2,956,779)	5,256,620
INCOME TAX EXPENSE	(908,000)	1,079,000	(1,006,000)	1,840,000
NET INCOME	\$ (1,759,329)	\$ 2,002,673	\$ (1,950,779)	\$ 3,416,620
INCOME PER SHARE				
Basic	\$ (0.23)	\$ 0.26	\$ (0.26)	\$ 0.45
Diluted	\$ (0.23)	\$ 0.26	\$ (0.26)	\$ 0.45
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
Basic	7,530,579	7,561,850	7,556,873	7,560,603
Diluted	7,530,579	7,578,713	7,556,873	7,572,467