

C H ROBINSON WORLDWIDE INC

Form 10-Q

May 12, 2014

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2014

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From to

Commission File Number: 000-23189

C.H. ROBINSON WORLDWIDE, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

41-1883630

(I.R.S. Employer
Identification No.)

14701 Charlson Road, Eden Prairie, Minnesota

(Address of principal executive offices)

952-937-8500

55347-5088

(Zip Code)

Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 8, 2014, the number of shares outstanding of the registrant's Common Stock, par value \$.10 per share, was 148,430,065.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

C.H. ROBINSON WORLDWIDE, INC.

Condensed Consolidated Balance Sheets

(unaudited)

(In thousands, except per share data)	March 31, 2014	December 31, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 142,813	\$ 162,047
Receivables, net of allowance for doubtful accounts of \$42,410 and \$39,292	1,612,034	1,449,581
Deferred tax asset	7,378	8,286
Prepaid expenses and other	60,857	44,571
Total current assets	1,823,082	1,664,485
Property and equipment, net	163,957	160,703
Goodwill	829,097	829,073
Other intangible assets, net	112,584	117,467
Other assets	31,448	31,090
Total assets	\$2,960,168	\$2,802,818
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	\$782,913	\$685,890
Outstanding checks	60,148	69,117
Accrued expenses:		
Compensation and profit-sharing contribution	46,576	85,247
Income taxes	44,905	11,681
Other accrued liabilities	35,947	43,046
Current portion of debt	410,000	375,000
Total current liabilities	1,380,489	1,269,981
Long-term debt	500,000	500,000
Noncurrent income taxes payable	20,583	21,584
Deferred tax liabilities	76,587	70,618
Other long term liabilities	912	911
Total liabilities	1,978,571	1,863,094
Stockholders' investment:		
Preferred stock, \$.10 par value, 20,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$.10 par value, 480,000 shares authorized; 178,327 and 179,030 shares issued, 148,515 and 150,197 outstanding	14,851	15,020
Additional paid-in capital	278,821	217,894
Retained earnings	2,454,598	2,413,833
Accumulated other comprehensive loss	(10,957) (10,620)
Treasury stock at cost (29,812 and 28,833 shares)	(1,755,716) (1,696,403)
Total stockholders' investment	981,597	939,724

Total liabilities and stockholders' investment	\$2,960,168	\$2,802,818
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See accompanying notes to the condensed consolidated financial statements.

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C.H. ROBINSON WORLDWIDE, INC.

Condensed Consolidated Statements of Operations and Comprehensive Income
(unaudited)

(In thousands, except per share data)	Three Months Ended March 31,	
	2014	2013
Revenues:		
Transportation	\$2,803,704	\$2,603,182
Sourcing	335,808	387,852
Payment Services	3,073	3,233
Total revenues	3,142,585	2,994,267
Costs and expenses:		
Purchased transportation and related services	2,375,825	2,181,930
Purchased products sourced for resale	308,962	356,006
Purchased payment services	563	609
Personnel expenses	220,297	212,645
Other selling, general, and administrative expenses	79,967	74,371
Total costs and expenses	2,985,614	2,825,561
Income from operations	156,971	168,706
Investment and other (expense) income	(6,131) (60
Income before provision for income taxes	150,840	168,646
Provision for income taxes	57,653	65,303
Net income	93,187	103,343
Other comprehensive loss	(337) (2,229
Comprehensive income	\$92,850	\$101,114
Basic net income per share	\$0.63	\$0.64
Diluted net income per share	\$	