

K2 INC
Form S-4
December 10, 2003
Table of Contents

As filed with the Securities and Exchange Commission on December 10, 2003

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

K2 INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

3949
(Primary Standard Industrial
Classification Code No.)
2051 Palomar Airport Road

95-2077125
(I.R.S. Employer
Identification No.)

Carlsbad, California 92009

(760) 494-1000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Monte H. Baier

Vice President and General Counsel

K2 Inc.
2051 Palomar Airport Road
Carlsbad, California 92009

(760) 494-1000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

With copies to:

Edgar Filing: K2 INC - Form S-4

Bradford P. Weirick
Gibson, Dunn & Crutcher LLP
333 South Grand Avenue
Los Angeles, California 90071-3197
(213) 229-7000

Charles I. Weissman
Swidler Berlin Shereff Friedman, LLP
405 Lexington Avenue, 12th Floor
New York, New York 10174
(212) 973-0111

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement and the satisfaction (or waiver) of the conditions to the offer described herein.

If the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered (1)	Amount To Be Registered (2)	Proposed Maximum	Proposed Maximum	Amount of Registration Fee
		Offering Price Per Share	Aggregate Offering Price (3)	
Common Stock, par value \$1.00 per share	1,188,743	N/A	\$ 16,082,738	\$ 1,302.00

- (1) Includes associated preferred share rights to purchase shares of the Registrant's common stock pursuant to the Registrant's shareholder rights plan, which rights are not currently separable from the shares of common stock and are not currently exercisable.
- (2) Based on the maximum number of shares of Registrant common stock issuable in the offer and the merger. The maximum number of 1,188,743 equals the sum of (i) 1,006,719, the product of (a) 3,651,501, the total number of shares of Fotoball USA, Inc. common stock outstanding as of December 9, 2003 and (b) 0.2757 and (ii) 182,024, the product of (a) 660,225, the number of outstanding options to purchase shares of Fotoball USA common stock and (b) 0.2757.
- (3) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(f) and 457(c) under the Securities Act of 1933, based upon the product of \$3.73, representing the average of the high and low sale prices of the Fotoball USA, Inc. common stock as reported on the Nasdaq National Market System on December 8, 2003, and 4,311,726, representing the maximum number of shares of Fotoball USA, Inc. to be acquired by Registrant in the offer and the merger.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(a), may determine.

Table of Contents

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING OFFERS TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

OFFER BY K2 INC.

to

Exchange 0.2757 of a Share of Common Stock

(including the associated preferred share purchase rights)

of

K2 Inc.

for

Each Outstanding Share of Common Stock

(including the associated preferred share purchase rights)

of

Fotball USA, Inc.

THIS OFFER, AND YOUR RIGHT TO WITHDRAW SHARES OF FOTOBALL USA COMMON STOCK YOU TENDER INTO THIS OFFER, WILL EXPIRE AT 12:00 MIDNIGHT, NEW YORK CITY TIME, ON THURSDAY, JANUARY 8, 2004, UNLESS WE EXTEND THIS OFFER.

We are offering to exchange 0.2757 of a share, including the associated preferred share purchase rights, of common stock of K2 Inc. (K2) for each outstanding share of common stock, including the associated preferred share purchase rights, of Fotoball USA, Inc. (Fotoball USA), on the terms and conditions contained in this prospectus and in the related letter of transmittal.

This offer is being made pursuant to an Agreement and Plan of Merger and Reorganization (as such agreement may from time to time be amended or supplemented, the Merger Agreement), dated as of November 25, 2003, by and among K2, Boca Acquisition Sub, Inc. (Acquisition Sub) and Fotoball USA. The board of directors of Fotoball USA has unanimously (i) adopted the Merger Agreement and approved the transactions contemplated thereby, including this offer, and (ii) recommended that holders of Fotoball USA common stock accept this offer and tender their Fotoball USA common stock to K2 pursuant to this offer. Michael Favish, Fotoball USA's Chairman and Chief Executive Officer, and Scott P. Dickey, Fotoball USA's President and Chief Operating Officer, and each in their capacities as stockholders of outstanding common stock of Fotoball USA, have each agreed to tender their respective Fotoball USA shares in the offer, subject to certain conditions.

This offer is conditioned on (i) there being validly tendered and not properly withdrawn prior to the expiration of the offer at least a majority of the shares of Fotoball USA common stock, calculated as described in this prospectus, and (ii) the other conditions described in this prospectus under The Offer Conditions of the Offer on page 38.

Edgar Filing: K2 INC - Form S-4

After completion of the offer, K2 will cause Fotoball USA to complete a merger with Acquisition Sub in which each outstanding share of Fotoball USA common stock (except for shares held by Fotoball USA, K2 or Acquisition Sub) will be converted into the right to receive a fraction of a share of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If, after the completion of this offer, we beneficially own more than 90% of the outstanding shares of Fotoball USA common stock, we may effect this merger without the approval of Fotoball USA stockholders, as permitted under Delaware law.

K2 is not asking Fotoball USA stockholders for a proxy at this time and Fotoball USA stockholders are requested not to send a proxy. Any solicitation of proxies will be made pursuant to separate proxy solicitation materials complying with the requirements of Section 14(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act).

SEE RISK FACTORS BEGINNING ON PAGE 19 FOR A DISCUSSION OF ISSUES THAT YOU SHOULD CONSIDER IN DETERMINING WHETHER TO TENDER YOUR SHARES IN THIS OFFER.

K2 common stock is traded on the New York Stock Exchange under the symbol KTO. Fotoball USA common stock is traded on the Nasdaq National Market System under the symbol FUSA.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SECURITIES TO BE ISSUED IN THIS OFFER AND THE SUBSEQUENT MERGER OR DETERMINED IF THE INFORMATION CONTAINED IN THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is December 10, 2003 and it will be distributed on or about December 10, 2003.

Table of Contents**TABLE OF CONTENTS**

	<u>Page</u>
<u>QUESTIONS AND ANSWERS ABOUT THE OFFER</u>	iv
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	1
<u>SUMMARY</u>	3
<u>The Offer</u>	3
<u>The Companies</u>	8
<u>Selected Consolidated Historical Financial Information of K2 and Fotoball USA</u>	10
<u>Selected Unaudited Pro Forma Condensed Combined Financial Information</u>	14
<u>Unaudited Comparative Per Share Information</u>	15
<u>Comparative Per Share Market Price and Dividend Information</u>	17
<u>Recent Closing Prices</u>	18
<u>RISK FACTORS</u>	19
<u>Risk Factors Relating to the Offer and the Subsequent Merger</u>	19
<u>Risks Factors and Trends Relating to K2 and the Combined Company</u>	21
<u>BACKGROUND AND REASONS FOR THE OFFER AND SUBSEQUENT MERGER</u>	27
<u>Background of the Offer and Subsequent Merger</u>	27
<u>Additional Factors for Consideration by Fotoball USA Stockholders</u>	30
<u>RECOMMENDATION OF FOTOBALL USA S BOARD OF DIRECTORS</u>	32
<u>THE OFFER</u>	33
<u>Exchange of Shares of Fotoball USA Common Stock</u>	33
<u>Timing of the Offer</u>	33
<u>Extension, Termination and Amendment</u>	33
<u>Procedure for Tendering Shares</u>	34
<u>Withdrawal Rights</u>	35
<u>Subsequent Offering Period</u>	36
<u>Effect of a Tender of Shares</u>	36
<u>Delivery of Shares of K2 Common Stock</u>	37
<u>Cash Instead of Fractional Shares of K2 Common Stock</u>	37
<u>Conditions of the Offer</u>	38
<u>Material U.S. Federal Income Tax Consequences</u>	40
<u>Transferability of Shares of K2 Common Stock</u>	42
<u>Approval of the Merger</u>	42
<u>Appraisal Rights</u>	42
<u>CERTAIN LEGAL MATTERS AND REGULATORY APPROVALS</u>	45
<u>Regulatory Approvals</u>	45
<u>Non-U.S. Approvals</u>	45
<u>State Takeover Laws</u>	45
<u>Litigation</u>	45
<u>CERTAIN EFFECTS OF THE OFFER</u>	46
<u>Effects on the Market; Exchange Act Registration</u>	46
<u>Financing of the Offer</u>	47
<u>Conduct of Fotoball USA if the Offer is Not Completed</u>	47
<u>Plans and Proposals for Fotoball USA Following Completion of the Merger</u>	47
<u>Accounting Treatment</u>	47
<u>Fees and Expenses</u>	47

Table of Contents

TABLE OF CONTENTS (Continued)

	Page

<u>INTERESTS OF CERTAIN PERSONS IN THE OFFER AND SUBSEQUENT MERGER</u>	48
<u>Interests of Management and the Fotoball USA Board</u>	48
<u>Certain Agreements between Michael Favish, Scott P. Dickey and K2</u>	50
<u>THE MERGER AGREEMENT</u>	52
<u>The Offer</u>	52
<u>The Merger</u>	53
<u>Representations and Warranties</u>	55
<u>Conduct of Business Pending the Merger</u>	56
<u>Preparation of Registration Statement</u>	59
<u>Offers for Alternative Transactions</u>	59
<u>Fotoball USA's Board of Directors Recommendations and Entering into Acquisition Agreement with Third Party</u>	60
<u>Indemnification and Insurance</u>	61
<u>Other Covenants</u>	62
<u>Conditions to the Offer</u>	62
<u>Conditions to the Merger</u>	62
<u>Termination and Termination Fee</u>	63
<u>Amendment and Waiver</u>	65
<u>Costs and Expenses</u>	65
<u>INFORMATION ABOUT FOTOBALL USA</u>	66
<u>COMPARISON OF RIGHTS OF HOLDERS OF FOTOBALL USA COMMON STOCK AND HOLDERS OF K2 COMMON STOCK</u>	67
<u>ADDITIONAL INFORMATION</u>	76
<u>Legal Matters</u>	76
<u>Experts</u>	76
<u>Where You Can Find Additional Information</u>	77
<u>Miscellaneous</u>	78
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	79
<u>ANNEX A Agreement and Plan of Merger and Reorganization</u>	A-1
<u>ANNEX B Information Concerning the Directors and Executive Officers of K2 and Boca Acquisition Sub, Inc.</u>	B-1
<u>ANNEX C Section 262 of the Delaware General Corporation Law</u>	C-1
<u>ANNEX D Fotoball USA's Annual Report on Form 10-K and Form 10-K/A for the Year Ended December 31, 2002</u>	D-1
<u>ANNEX E Fotoball USA's Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2003</u>	E-1

Table of Contents

As permitted under the rules of the Securities and Exchange Commission (the "SEC"), this prospectus incorporates important business and financial information about K2 that is contained in documents filed with the SEC, but that is not included in or delivered with this prospectus. You may obtain copies of these documents, without charge, from the website maintained by the SEC at www.sec.gov, as well as other sources. See "Additional Information Where You Can Find Additional Information" on page 77. You may also obtain copies of these documents, without charge, upon written or oral request to our information agent, Morrow & Co., Inc. (Banks and Brokerage Firms, please call (800) 654-2468; Stockholders, please call (800) 607-0088; all others, please call collect (212) 754-8000; the address is 445 Park Avenue, 5th Floor, New York, New York 10022; the e-mail address is fusa.info@morrowco.com). To obtain timely delivery of copies of these documents, you should request them no later than five business days prior to the expiration of this offer. **UNLESS THIS OFFER IS EXTENDED, THE LATEST YOU SHOULD REQUEST COPIES OF THESE DOCUMENTS IS WEDNESDAY, DECEMBER 31, 2003.**

Except as otherwise specifically noted, we, our, us and similar words in this prospectus refer to K2. Acquisition Sub refers to Boca Acquisition Sub, Inc., a wholly-owned subsidiary of K2. We refer to Fotoball USA, Inc. as Fotoball USA. All references to shares of our common stock or Fotoball USA common stock include the associated preferred stock purchase rights.

In "Questions and Answers About the Offer" below and in the "Summary" beginning on page 3, we highlight selected information from this prospectus, but we have not included all of the information that may be important to you. To better understand the offer and the subsequent merger, and for a more complete description of their legal terms, you should carefully read this entire prospectus, including the section entitled "Risk Factors" on page 19 and the annexes hereto, as well as the documents we have incorporated by reference into this prospectus. See "Additional Information Where You Can Find Additional Information" on page 77.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus. The information contained in this prospectus and the documents incorporated by reference are accurate only as of their respective dates, regardless of the time of delivery of this prospectus. Our business, financial condition, results of operations and prospects may have changed since those dates.

Table of Contents

QUESTIONS AND ANSWERS ABOUT THE OFFER

Q. Who Is Offering to Buy Your Shares?

- A. K2 is a premier, branded consumer products company with a portfolio of diversified sporting goods products and other recreational products. K2's sporting goods include several name brand lines such as K2 and Olin alpine skis, K2 and Ride snowboards, boots and bindings, Morrow, 5150 and Liquid snowboards, Tubbs and Atlas snowshoes, K2 in-line skates, K2 mountain bikes and BMX bikes, Rawlings baseball and sports equipment, Worth softball and sports equipment, Shakespeare fishing rods and reels, Stearns personal flotation devices, outdoor water recreational products, rainwear and hunting accessories and K2 and Dana Design backpacks. K2's other recreational products include Planet Earth apparel, Adio and Hawk skateboard shoes and Hilton corporate casuals. In addition, K2's portfolio includes industrial products consisting primarily of Shakespeare monofilament line, which is used in weed trimmers, paper mills and as fishing line, and Shakespeare fiberglass marine antennas.

K2 has embarked upon an aggressive growth strategy to leverage its existing operations and to complement and diversify its product offerings within the sporting goods and recreational product industries. K2 intends to implement internal growth by continuing to improve operating efficiencies, extending product offerings with new product launches, and maximizing its extensive distribution channels. In addition, K2 is seeking strategic acquisitions of other sporting goods companies with well-established brands and complementary distribution channels. K2 believes that the growing influence of large format sporting goods retailers and retailer buying groups as well as the consolidation of certain sporting goods retailers worldwide is leading to a consolidation of sporting goods suppliers. K2 also believes that the most successful sporting goods suppliers will be those with greater financial and other resources, including those with the ability to produce or source high-quality, low cost products and deliver these products on a timely basis, to invest in product development projects, and to access distribution channels with a broad array of products and brands. In pursuing this growth strategy, K2 acquired Rawlings Sporting Goods Company, Inc. (Rawlings) on March 26, 2003, Worth, Inc. (Worth) on September 16, 2003 and certain assets and liabilities of Winter Quest LLC on October 17, 2003. Additionally, K2 entered into an agreement on October 22, 2003 to acquire Brass Eagle Inc. (Brass Eagle), the exchange offer for the shares of which closed on December 8, 2003 with K2 acquiring control. K2 expects the merger with Brass Eagle to close on or about December 10, 2003.

Q. Why Are We Making the Offer?

- A. We are making the offer for the purpose of acquiring all of the outstanding shares of Fotoball USA common stock.

Q. What Will You Receive in Exchange for the Shares of Fotoball USA Common Stock that You Tender In the Offer?

- A. If we complete the offer, you will receive 0.2757 of a share, including the associated preferred share purchase rights, of K2 common stock in exchange for each share of Fotoball USA common stock that you validly tender in the offer. We will not issue fractional shares of K2 common stock. Any Fotoball USA stockholder entitled to receive a fractional share of K2 common stock will instead receive a cash payment in lieu of the fractional interest. See *The Offer Cash Instead of Fractional Shares of K2 Common Stock* on page 37.

Q. What Does the Board of Directors of Fotoball USA Think of the Offer and the Subsequent Merger?

- A. On November 25, 2003, the board of directors of Fotoball USA unanimously approved the Merger Agreement, this offer and the merger. The board of directors of Fotoball USA also has recommended that Fotoball USA stockholders tender their shares of Fotoball USA common stock in this offer. The board of

Table of Contents

directors of Fotoball has received a written opinion, dated November 25, 2003, from Imperial Capital LLC (Imperial Capital), the financial advisor to Fotoball USA, to the effect that, as of the date of the opinion and based on and subject to the matters described in the opinion, the consideration to be received by Fotoball USA stockholders in the offer and merger is fair, from a financial point of view, to such stockholders. A summary of Imperial Capital's opinion, including the analyses performed, the bases and methods of arriving at the opinion and a description of Imperial Capital's investigation and assumptions, is provided in Fotoball USA's Solicitation/Recommendation Statement on Schedule 14D-9 (the Fotoball USA Recommendation Statement), which is being mailed to you together with this prospectus. The full text of Imperial Capital's written opinion, which describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken, is attached to the Fotoball USA Recommendation Statement. For more information about the position of the board of directors of Fotoball USA on the offer, see the Fotoball USA Recommendation Statement.

Q. What Have Michael Favish, Fotoball USA's Chairman and Chief Executive Officer, and Scott P. Dickey, Fotoball USA's President and Chief Operating Officer, Each in Their Capacities as Stockholders of Fotoball USA, Agreed to Do with Respect to the Offer and the Merger?

- A. On November 25, 2003, Michael Favish and Scott P. Dickey each entered into respective Exchange Agreements with K2, pursuant to which each of them has agreed to tender his Fotoball USA shares in the offer, subject to certain conditions. See Interests of Certain Persons in the Offer and Subsequent Merger Certain Agreements Between Michael Favish, Scott P. Dickey and K2 Exchange Agreements on page 50.

Q. What Are the Potential Benefits of this Offer to Fotoball USA Stockholders?

- A. We believe that this offer should be attractive to Fotoball USA stockholders for the reasons described elsewhere in this prospectus as well as for the following reasons:

based on \$15.70 and \$3.98, the closing prices of shares of K2 common stock and shares of Fotoball USA common stock, respectively, on November 25, 2003, the last trading day preceding our first announcement of our intention to acquire the outstanding shares of Fotoball USA common stock, the value of shares of Fotoball USA common stock as used in the exchange ratio represented a 8.8% premium over the price of shares of Fotoball USA common stock. Based on \$16.07 and \$3.02, the closing prices of shares of K2 common stock and shares of Fotoball USA common stock, respectively, on July 25, 2003, the last trading day prior to Fotoball USA's announcement of receipt of an unsolicited offer to acquire the outstanding shares of Fotoball USA common stock, the value of shares of Fotoball USA common stock as used in the exchange ratio represented a 44.3% premium over the price of shares of Fotoball USA common stock. On December 9, 2003, the last trading date prior to the printing of this prospectus for which this information was practicably available, the closing prices of a share of K2 common stock and a share of Fotoball USA common stock, as reported in the consolidated transaction reporting system, were \$14.39 and \$3.94, respectively;

you will have the opportunity to hold shares in a larger, more diversified combined company which we believe will have greater access to capital to pursue strategic growth opportunities in the sporting goods industry than would Fotoball USA on a stand-alone basis;

you will have the opportunity to hold shares in a company with significantly more daily trading volume, which will permit you to sell more shares without adversely affecting the price of the shares; and

you will have the opportunity to continue to share in Fotoball USA's future performance through your ownership of shares of K2 common stock, as well as an opportunity to similarly share in the performance of our other product lines.

Table of Contents

Q. What Are Some of the Other Factors You Should Consider in Deciding Whether to Tender Your Shares of Fotoball USA Common Stock?

A. In addition to the factors described elsewhere in this prospectus, you should consider the following:

as a K2 stockholder, your interest in the performance and prospects of Fotoball USA would only be indirect and in proportion to your share ownership in K2. You, therefore, will not realize the same financial benefits of future appreciation in the value of Fotoball USA, if any, that you may realize if the offer and the merger were not completed and you remained a Fotoball USA stockholder; and

an investment in a company of Fotoball USA's size may be associated with greater risk and a greater potential for gain than an investment in a more diversified company like K2. On the other hand, as a stockholder in a diversified company like K2, your investment will be exposed to risks and events that are likely to have little or no effect on Fotoball USA.

We describe various factors Fotoball USA stockholders should consider in deciding whether to tender their shares under "Risk Factors" on page 19 and "Background and Reasons for the Offer and Subsequent Merger - Additional Factors for Consideration by Fotoball USA Stockholders" on page 30.

Q. How Do You Participate in the Offer?

A. You are urged to read this entire prospectus carefully, and to consider how the offer and the merger affect you. Then, if you wish to tender your shares of Fotoball USA common stock, you should complete and sign the enclosed letter of transmittal and return it with your stock certificates to the exchange agent and depository at its address set forth on the back cover page of this prospectus, or, if you hold your shares in street name through a broker, ask your broker to tender your shares. Please read this prospectus carefully for more information about procedures for tendering your shares, the timing of the offer, extensions of the offer period and your rights to withdraw your shares from the offer prior to the expiration date.

Q. What Are the Most Significant Conditions to the Offer?

A. The offer is conditioned upon, among other things, satisfaction of the condition that there must be validly tendered, and not properly withdrawn, prior to the expiration of the offer, at least a majority of the outstanding shares of Fotoball USA common stock and certain shares subject to Fotoball USA stock options as described in this prospectus. In addition to this minimum condition, the following conditions must also be met as of the expiration of the offer:

the registration statement on Form S-4 of which this prospectus is a part must have become effective;

the shares of K2 common stock issuable in the offer shall have been approved for listing on the New York Stock Exchange;

Fotoball USA and K2 shall have received certain tax opinions;

neither Michael Favish nor Scott P. Dickey shall have breached any of their respective obligations under the Exchange Agreements pursuant to which each has agreed to tender his shares in the offer;

Edgar Filing: K2 INC - Form S-4

Fotball USA shall have received certain consents to the transactions contemplated by the Merger Agreement;

there shall have been no event having a material adverse effect on Fotoball USA and no specified breaches by Fotoball USA of the Merger Agreement;

there shall be no legal impediments to the offer and certain events, such as trading suspensions or the commencement or acceleration of a war involving the United States, shall not have occurred;

the Merger Agreement shall not have been terminated pursuant to its terms; and

neither Fotoball USA's board of directors nor the Fotoball USA special committee shall have withdrawn its recommendation of the offer.

Table of Contents

These conditions and other conditions to the offer are discussed in this prospectus under "The Offer" "Conditions of the Offer" on page 38.

Q: If You Decide Not to Tender, How Will This Affect the Offer and Your Shares of Fotoball USA Common Stock?

A: We will not acquire any shares of Fotoball USA common stock in the offer unless the minimum condition is satisfied. Your failure to tender your shares of Fotoball USA common stock will reduce the likelihood that we will receive tenders of a sufficient number of shares of Fotoball USA common stock to be able to complete the offer.

The offer is the first step in our acquisition of Fotoball USA and is intended to facilitate our acquisition of all of the outstanding shares of Fotoball USA common stock. After completion of the offer, we will cause Fotoball USA to complete a merger with Acquisition Sub. The purpose of the merger is to acquire all of the outstanding shares of Fotoball USA common stock not exchanged in the offer. In the merger, each outstanding share of Fotoball USA common stock (except for shares held by Fotoball USA, K2 or Acquisition Sub) will be converted into the right to receive a fraction of a share of K2 common stock at the same exchange ratio used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If the merger takes place (unless the merger is accomplished through a short-form merger, in which case non-tendering stockholders would be entitled to appraisal rights), the only difference to you between tendering your Fotoball USA common stock in the offer and not tendering your Fotoball USA common stock is that you will receive shares of K2 common stock earlier if you tender your shares in the offer. An earlier tender of your shares of Fotoball USA common stock may, however, help to ensure the satisfaction of the minimum condition and the completion of the offer and merger.

Q: How Long Will It Take to Complete the Offer and the Subsequent Merger?

A: We hope to complete the offer in January 2004. The offer is currently scheduled to expire on Thursday, January 8, 2004. However, we may extend the offer if the conditions to the offer have not been satisfied as of the offer's scheduled expiration or if we are required to extend the offer pursuant to the SEC's tender offer rules or pursuant to agreements we have made with Fotoball USA in the Merger Agreement. After completion of the offer, K2 will cause Fotoball USA to complete a merger with Acquisition Sub, in which each outstanding share of Fotoball USA common stock (except for shares held by Fotoball USA, K2 or Acquisition Sub) will be converted into the right to receive a fraction of a share of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If, after the completion of the offer, we beneficially own more than 90% of the outstanding shares of Fotoball USA common stock, we may effect this merger without the approval of Fotoball USA stockholders, as permitted under Delaware law, which could occur promptly following the completion of the offer. In order to reach this 90% threshold, we may exercise an irrevocable option Fotoball USA has granted us in the Merger Agreement to purchase directly from Fotoball USA that number of shares of Fotoball USA common stock that will enable us to hold 90% of the outstanding Fotoball USA shares after such exercise, subject to certain limitations. The exercise of this option would allow us to consummate the merger without stockholder approval even if we do not obtain 90% of Fotoball USA's outstanding shares in the offer. If we complete the offer but own less than 90% of the outstanding shares of Fotoball USA common stock after the offer, and we do not exercise our option to purchase shares directly from Fotoball USA, then the merger will require Fotoball USA stockholder approval, and we will complete the merger after a definitive proxy statement regarding the merger is distributed to Fotoball USA stockholders and a meeting of the Fotoball stockholders is held. As the then majority stockholder of Fotoball USA, we will approve the merger at such meeting. In such circumstances, the consummation of the merger may not occur until a month or more following the completion of the offer.

Table of Contents

Q: Do You Have to Vote to Approve the Offer or the Merger?

A: Because we are extending the offer directly to Fotoball USA stockholders, Fotoball USA stockholders are not being asked to vote to approve the offer. Approval by Fotoball USA stockholders, however, may be required to approve the merger following the successful completion of the offer. Please note that because the offer can only be completed if we acquire a majority of the outstanding shares of Fotoball USA common stock, once the offer is completed, approval of the merger can be accomplished through a meeting of Fotoball USA stockholders to vote on the merger, as required by Delaware law. Fotoball USA stockholders will receive a proxy statement in advance of the meeting soliciting their vote in favor of the merger. However, because we will own a majority of the shares of Fotoball USA common stock at that time, stockholder approval will be assured. If we own 90% or more of the outstanding common stock of Fotoball USA following completion of the offer, the merger can be accomplished without any vote under applicable law.

Q: What Percentage of the K2 Common Stock Will Current Fotoball USA Stockholders Own After the Completion of the Offer and Subsequent Merger?

A: We anticipate that the completion of the offer and subsequent merger will result in the exchange of the outstanding shares of Fotoball USA common stock into approximately 2.9% of the K2 common stock outstanding at the conclusion of the transactions, without regard to K2 stock options or warrants to purchase K2 common stock, and 2.2% on a fully-diluted basis. In general, this assumes that:

approximately 1,006,719 shares of K2 common stock would be issued in the offer and the subsequent merger;

approximately 33,187,040 shares of K2 common stock are outstanding before giving effect to the completion of the offer and the subsequent merger;

no options to purchase shares of Fotoball USA common stock are exercised prior to the completion of the merger; and

no Fotoball USA stockholders exercise appraisal rights.

Q: Will You Be Taxed on the Shares of K2 Common Stock that You Receive?

A: It is a condition to the completion of the offer that K2 and Fotoball USA receive legal opinions to the effect that the offer and the merger together will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code (the Code). A Fotoball USA stockholder who, consistent with such opinions, receives his, her or its shares of K2 common stock pursuant to the offer or merger will not recognize any gain or loss in the offer and/or the merger, except for gain or loss attributable to cash received in lieu of a fractional share of K2 common stock. Stockholders should consult their tax advisors for a full understanding of all of the tax consequences of the offer and the merger to them. See The Offer Material U.S. Federal Income Tax Consequences on page 40.

Q: Do the Statements on the Cover Page Regarding this Prospectus Being Subject to Change and the Registration Statement Filed with the SEC Not Yet Being Effective Mean that the Offer May Not Commence?

A: No. As permitted under SEC rules, we may commence the offer without the registration statement, of which this prospectus is a part, having been declared effective by the SEC. We cannot, however, complete the offer and accept for exchange any shares of Fotoball USA common stock tendered in the offer until the registration statement is declared effective by the SEC and the other conditions to our offer have been satisfied or, where permissible, waived. The offer will commence when we first publish the means for Fotoball USA stockholders to tender their shares.

Table of Contents

Q: Are K2's Business, Results of Operations, Financial Condition and Prospects Relevant to Your Decision to Tender Your Shares in the Offer?

A: Yes. Shares of Fotoball USA common stock accepted in the offer will be exchanged for shares of K2 common stock and therefore you should consider K2's business, results of operations, financial condition and prospects before you decide whether to tender your shares in the offer. In considering our business, results of operations, financial condition and prospects, you should review the documents incorporated by reference in this prospectus because they contain detailed business, financial and other information about us. See [Additional Information Where You Can Find Additional Information](#) on page 77.

Q: Whom Can You Call with Questions About the Offer?

A: You can contact our information agent for the offer:

Morrow & Co., Inc.

445 Park Avenue, 5th Floor

New York, New York 10022

E-mail: fusa.info@morrowco.com

Banks and Brokerage Firms, please call (800) 654-2468

Stockholders, please call (800) 607-0088

All others, please call collect (212) 754-8000

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the other materials filed or to be filed by K2 with the SEC contain forward-looking statements concerning non-historical facts or matters that are subject to risks and uncertainties. K2 believes that such statements are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act (we acknowledge that the safe harbor for forward-looking statements under Section 27A of the Securities Act and Section 21E of the Exchange Act does not apply to forward-looking statements made in connection with a tender offer). These forward-looking statements represent expectations or beliefs of K2 concerning future events, many of which are outside the control of K2. They include, among other things, statements with respect to:

pro forma financial statements and projections of future financial performance;

future sales and earnings;

marketing efforts and trends regarding:

team sports including baseball, softball, basketball and football;

fishing tackle markets;

active watersports and outdoor products markets;

extreme wheel sports including mountain bikes, in-line skates and skateboards and other extreme sports including paintball;
and

winter sports including skis and snowboards;

foreign exchange rate fluctuations;

expected levels of debt reduction;

retail inventory levels;

product acceptance and demand;

growth efforts, including strategic acquisitions;

cost reduction efforts;

cost savings and economies of scale;

dependence on foreign manufacturing;

margin enhancement efforts;

product development efforts;

market positioning;

the combined company after the merger; and

future acquisitions, including the integration of these businesses and dispositions.

Table of Contents

These forward looking statements may be preceded by, followed by or include the words believes, expects, anticipates, intends, plans, estimates, may, will, should, could, would or similar expressions.

K2 cautions that these statements are further qualified by important factors, in addition to those under Risk Factors on page 19 below and elsewhere in this prospectus and the documents which are incorporated by reference in this prospectus, that could cause actual results to differ significantly from those in the forward-looking statements, including, among other things:

economic conditions, including consumer demand;

product demand;

competitive pricing and products; and

other risks described in K2's and Fotoball USA's filings with the SEC.

Forward-looking statements are not guarantees of performance. By their nature, they involve risks, uncertainties and assumptions. The future results and stockholder values of K2 and Fotoball USA may differ significantly from those expressed in these forward-looking statements. Fotoball USA stockholders are cautioned not to put undue reliance on any forward-looking statement. Any such statement speaks only as of the date of this prospectus, and in the case of documents incorporated by reference, as of the date of those documents. K2 does not undertake any obligation to update or release any revisions to any forward-looking statements, to report any new information, future event or other circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events, except as required by law. However, your attention is directed to any further disclosures made on related subjects in K2's and Fotoball USA's subsequent reports (including amendments) filed with the SEC on Forms 10-K, 10-Q and 8-K.

Table of Contents

SUMMARY

*This brief summary highlights selected information from this document. It does not contain all of the information that is important to Fotoball USA stockholders. Fotoball USA stockholders are urged to read carefully the entire document and the other documents referred to and incorporated by reference in this document to fully understand the offer and the merger. In particular, stockholders of Fotoball USA should read the documents attached to this prospectus, including the Merger Agreement, which is attached as Annex A. For a guide as to where you can obtain more information on K2 and Fotoball USA, see *Additional Information Where You Can Find Additional Information* on page 77.*

The Offer (Page 33)

We are proposing to acquire all of the outstanding shares of Fotoball USA common stock. We are offering to exchange 0.2757 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Fotoball USA common stock, upon the terms and subject to the conditions set forth in this prospectus and the related letter of transmittal. We will not acquire any shares of Fotoball USA common stock in the offer unless Fotoball USA stockholders have validly tendered and not properly withdrawn prior to the expiration of the offer a majority of the shares of Fotoball USA common stock, calculated as described in this prospectus. Michael Favish, the Chairman and Chief Executive Officer of Fotoball USA, and Scott P. Dickey, the President and Chief Operating Officer of Fotoball USA, collectively holding approximately 12% of the outstanding common stock of Fotoball USA (19.7% on a beneficial ownership basis), have each agreed to tender their respective Fotoball USA shares in the offer, subject to certain conditions.

After completion of the offer, K2 will cause Fotoball USA to complete a merger with Acquisition Sub, in which each outstanding share of Fotoball USA common stock (except for shares held by Fotoball USA, K2 or Acquisition Sub) will be converted into the right to receive a fraction of a share of K2 common stock at the same exchange ratio as used in the offer, subject to appraisal rights to the extent applicable under Delaware law. If, after the completion of this offer, we beneficially own more than 90% of the outstanding shares of Fotoball USA common stock, we may effect this merger without the approval of Fotoball USA stockholders, as permitted under Delaware law. In order to reach this 90% threshold, we may exercise an irrevocable option Fotoball USA has granted us in the Merger Agreement to purchase directly from Fotoball USA that number of shares of Fotoball USA common stock that will enable us to hold 90% of the outstanding Fotoball USA shares after such exercise, subject to certain limitations. The exercise of this option would allow us to consummate the merger without stockholder approval even if we do not obtain 90% of Fotoball USA's outstanding shares in the offer.

The number of shares of K2 common stock issued to Fotoball USA stockholders in the offer and the merger will constitute approximately 2.9% of the outstanding common stock of the combined company after the merger.

Exchange of Shares of Fotoball USA Common Stock (Page 33)

Upon the terms and subject to the conditions of the offer, promptly after the expiration of the offer, we will accept shares of Fotoball USA common stock which are validly tendered and not properly withdrawn in exchange for shares of K2 common stock. We are offering to exchange 0.2757 of a share, including the associated preferred share purchase rights, of K2 common stock for each outstanding share of Fotoball USA common stock.

Timing of the Offer (Page 33)

Edgar Filing: K2 INC - Form S-4

We are commencing the offer on December 10, 2003, the date of the first publication of the means for Fotoball USA stockholders to tender their shares. The offer is scheduled to expire at 12:00 midnight, New York City time, on Thursday, January 8, 2004, unless we extend the period of the offer. All references to the expiration of the offer mean the time of expiration, as extended.

