

TOOTSIE ROLL INDUSTRIES INC

Form 10-Q

November 09, 2018

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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 September 30, 2018

OR

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 1-1361

Tootsie Roll Industries, Inc.

(Exact Name of Registrant as Specified in its Charter)

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VIRGINIA 22-1318955
(State of Incorporation) (I.R.S. Employer Identification No.)

7401 South Cicero Avenue, Chicago, Illinois 60629
(Address of Principal Executive Offices) (Zip Code)

773-838-3400

(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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files) Yes No

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

	Accelerated filer	Non-accelerated filer	Smaller reporting company	Emerging growth company
Large accelerated filer				

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date (September 30, 2018).

Class	Outstanding
Common Stock, \$.69 4/9 par value	38,621,418
Class B Common Stock, \$.69 4/9 par value	25,599,198

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TOOTSIE ROLL INDUSTRIES, INC.

SEPTEMBER 30, 2018

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This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. See “Forward-Looking Statements”

under Part I — Item 2 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Quarterly Report on Form 10-Q.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TOOTSIE ROLL INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands) (Unaudited)

	September 30, 2018	December 31, 2017	September 30, 2017
ASSETS			
CURRENT ASSETS:			
Cash & cash equivalents	\$ 64,333	\$ 96,314	\$ 49,512
Restricted cash	393	406	400
Investments	68,373	41,606	74,272
Trade accounts receivable, less allowances of \$2,873, \$1,921 & \$3,225	93,616	47,354	95,341
Other receivables	5,802	5,425	6,405
Inventories:			
Finished goods & work-in-process	37,148	31,922	41,273
Raw material & supplies	26,172	22,905	26,767
Income taxes receivable and prepaid	-	12,974	-
Prepaid expenses	6,439	12,014	2,489
Total current assets	302,276	270,920	296,459
PROPERTY, PLANT & EQUIPMENT, at cost:			
Land	21,968	21,962	22,222
Buildings	118,581	118,491	116,555
Machinery & equipment	381,522	381,665	369,753
Construction in progress	21,106	4,866	14,328
	543,177	526,984	522,858
Less-accumulated depreciation	361,079	348,012	344,809
Net property, plant and equipment	182,098	178,972	178,049

OTHER ASSETS:

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Goodwill	73,237	73,237	73,237
Trademarks	175,024	175,024	175,024
Investments	188,393	190,510	193,991
Split dollar officer life insurance	26,042	26,042	26,042
Prepaid expenses and other assets	13,249	15,817	34
Deferred income taxes	445	424	-
Total other assets	476,390	481,054	468,328
Total assets	\$ 960,764	\$ 930,946	\$ 942,836

(The accompanying notes are an integral part of these statements.)

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(in thousands except per share data) (Unaudited)

	September 30, 2018	December 31, 2017	September 30, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$ 18,637	\$ 11,928	\$ 14,037
Bank loans	190	440	404
Dividends payable	5,777	5,660	5,667
Accrued liabilities	45,787	45,157	50,552
Postretirement health care	603	603	513
Income taxes payable	3,516	-	7,636
Total current liabilities	74,510	63,788	78,809
NONCURRENT LIABILITIES:			
Deferred income taxes	41,382	41,457	44,316
Postretirement health care	13,167	12,894	11,941
Industrial development bonds	7,500	7,500	7,500
Liability for uncertain tax positions	4,148	4,817	4,811
Deferred compensation and other liabilities	73,321	66,686	80,936
Total noncurrent liabilities	139,518	133,354	149,504
TOOTSIE ROLL INDUSTRIES, INC. SHAREHOLDERS' EQUITY:			
Common stock, \$.69-4/9 par value- 120,000 shares authorized; 38,621, 37,960 & 38,046, respectively, issued	26,820	26,361	26,421
Class B common stock, \$.69-4/9 par value- 40,000 shares authorized; 25,599, 24,891 & 24,918, respectively, issued	17,777	17,285	17,304
Capital in excess of par value	699,140	656,752	660,779
Retained earnings	27,356	57,225	30,890
Accumulated other comprehensive loss	(22,261)	(21,791)	(18,921)
Treasury stock (at cost)- 88, 85 & 85 shares, respectively	(1,992)	(1,992)	(1,992)
Total Tootsie Roll Industries, Inc. shareholders' equity	746,840	733,840	714,481
Noncontrolling interests	(104)	(36)	42
Total equity	746,736	733,804	714,523
Total liabilities and shareholders' equity	\$ 960,764	\$ 930,946	\$ 942,836

(The accompanying notes are an integral part of these statements.)

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TOOTSIE ROLL INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF

EARNINGS AND RETAINED EARNINGS

(in thousands except per share amounts) (Unaudited)

	Quarter Ended		Year to Date Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Net product sales	\$ 181,505	\$ 182,173	\$ 387,987	\$ 390,495
Rental and royalty revenue	798	842	2,925	2,771
Total revenue	182,303	183,015	390,912	393,266
Product cost of goods sold	115,246	114,970	248,561	245,889
Rental and royalty cost	211	240	686	757
Total costs	115,457	115,210	249,247	246,646
Product gross margin	66,259	67,203	139,426	144,606
Rental and royalty gross margin	587	602	2,239	2,014
Total gross margin	66,846	67,805	141,665	146,620
Selling, marketing and administrative expenses	36,620	33,222	91,229	86,502
Earnings from operations	30,226	34,583	50,436	60,118
Other income (loss), net	2,987	4,370	6,871	9,311
Earnings before income taxes	33,213	38,953	57,307	69,429
Provision for income taxes	7,134	12,066	12,657	20,681
Net earnings	26,079	26,887	44,650	48,748
Less: Net earnings (loss) attributable to noncontrolling interests	(25)	(46)	(68)	(131)
Net earnings attributable to Tootsie Roll Industries, Inc.	\$ 26,104	\$ 26,933	\$ 44,718	\$ 48,879
Net earnings attributable to Tootsie Roll Industries, Inc. per share	\$ 0.41	\$ 0.42	\$ 0.70	\$ 0.75
Dividends per share *	\$ 0.09	\$ 0.09	\$ 0.27	\$ 0.27
Average number of shares outstanding	64,155	64,855	64,268	65,155
Retained earnings at beginning of period	\$ 7,020	\$ 9,615	\$ 57,225	\$ 43,833
Net earnings attributable to Tootsie Roll Industries, Inc.	26,104	26,933	44,718	48,879
Adopted ASU's (See Note 1)	-	-	2,726	-
Cash dividends	(5,768)	(5,658)	(17,164)	(16,898)

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Stock dividends	-	-	(60,149)	(44,924)
Retained earnings at end of period	\$ 27,356	\$ 30,890	\$ 27,356	\$ 30,890

*Does not include 3% stock dividend to shareholders of record on 3/6/18 and 3/7/17.

(The accompanying notes are an integral part of these statements.)

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TOOTSIE ROLL INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS

(in thousands except per share amounts) (Unaudited)

	Quarter Ended		Year to Date Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Net earnings	\$ 26,079	\$ 26,887	\$ 44,650	\$ 48,748
Other comprehensive income (loss), before tax:				
Foreign currency translation adjustments	1,164	(216)	1,102	2,875
Pension and postretirement reclassification adjustments:				
Unrealized gains (losses) for the period on postretirement and pension benefits	-	4	-	95
Less: reclassification adjustment for (gains) losses to net earnings	(331)	(366)	(993)	(1,097)
Unrealized gains (losses) on postretirement and pension benefits	(331)	(362)	(993)	(1,002)
Investments:				
Unrealized gains (losses) for the period on investments	209	121	(1,071)	500
Less: reclassification adjustment for (gains) losses to net earnings	-	-	-	-
Unrealized gains (losses) on investments	209	121	(1,071)	500
Derivatives:				
Unrealized gains (losses) for the period on derivatives	(573)	19	(2,422)	(1,735)
Less: reclassification adjustment for (gains) losses to net earnings	795	28	1,630	(109)
Unrealized gains (losses) on derivatives	222	47	(792)	(1,844)
Total other comprehensive income (loss), before tax	1,264	(410)	(1,754)	529
Income tax benefit (expense) related to items of other comprehensive income	(24)	70	691	796
Total comprehensive earnings	27,319	26,547	43,587	50,073
Comprehensive earnings (loss) attributable to noncontrolling interests	(25)	(46)	(68)	(131)
Total comprehensive earnings attributable to Tootsie Roll Industries, Inc.	\$ 27,344	\$ 26,593	\$ 43,655	\$ 50,204

(The accompanying notes are an integral part of these statements.)

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TOOTSIE ROLL INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands) (Unaudited)

	Year to Date Ended	
	September 30, 2018	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 44,650	\$ 48,748
Adjustments to reconcile net earnings to net cash used in operating activities:		
Depreciation and amortization	13,933	14,364
Deferred income taxes	(443)	153
Amortization of marketable security premiums	1,351	1,840
Changes in operating assets and liabilities:		
Accounts receivable	(45,881)	(51,270)
Other receivables	(649)	(4,265)
Inventories	(8,333)	(10,018)
Prepaid expenses and other assets	8,268	3,313
Accounts payable and accrued liabilities	10,932	8,249
Income taxes payable	15,821	8,706
Postretirement health care benefits	(720)	(677)
Deferred compensation and other liabilities	2,051	(723)
Net cash from operating activities	40,980	18,420
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(16,812)	(11,699)
Purchases of trading securities	(3,807)	(3,387)
Sales of trading securities	817	3,544
Purchase of available for sale securities	(65,098)	(51,935)
Sale and maturity of available for sale securities	45,379	21,328
Net cash used in investing activities	(39,521)	(42,149)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Shares purchased and retired	(16,650)	(30,027)
Dividends paid in cash	(17,208)	(16,965)
Proceeds from bank loans	1,264	1,182
Repayment of bank loans	(1,506)	(1,345)
Net cash used in financing activities	(34,100)	(47,155)
Effect of exchange rate changes on cash	647	1,269
Decrease in cash and cash equivalents	(31,994)	(69,615)
Cash, cash equivalents and restricted cash at beginning of year	96,720	119,527
Cash, cash equivalents and restricted cash at end of quarter	\$ 64,726	\$ 49,912
Supplemental cash flow information:		

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Income taxes paid/(received), net	\$ (2,811)	\$ 12,360
Interest paid	\$ 81	\$ 49
Stock dividend issued	\$ 60,538	\$ 69,739

(The accompanying notes are an integral part of these statements.)

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TOOTSIE ROLL INDUSTRIES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2018

(in thousands except per share amounts) (Unaudited)

Note 1 — Significant Accounting Policies

General Information

Foregoing data has been prepared from the unaudited financial records of Tootsie Roll Industries, Inc. (the Company) and in the opinion of management all adjustments, which are of a normal recurring nature, necessary for a fair statement of the results for the interim period have been reflected. Certain amounts previously reported have been reclassified to conform to the current year presentation. These consolidated financial statements should be read in conjunction with the consolidated financial statements and the related notes included in the Company's Form 10-K for the year ended December 31, 2017 (the "2017 Form 10-K").

Results of operations for the period ended September 30, 2018 are not necessarily indicative of results to be expected for the year to end December 31, 2018 because of the seasonal nature of the Company's operations. Historically, the third quarter has been the Company's largest sales quarter due to pre-Halloween sales.

Revenue Recognition

The Company's revenues, primarily net product sales, principally result from the sale of goods, reflect the consideration to which the Company expects to be entitled generally based on customer purchase orders. The Company records revenue based on a five-step model in accordance with Accounting Standards Codification ("ASC") Topic 606 which became effective January, 1, 2018. Adjustments for estimated customer cash discounts upon payment, discounts for price adjustments, product returns, allowances, and certain advertising and promotional costs, including consumer coupons, are variable consideration and are recorded as a reduction of product sales revenue in the same period the related product sales are recorded. Such estimates are calculated using historical averages adjusted for any expected changes due to current business conditions and experience. A net product sale is recorded when the

Company delivers the product to the customer, or in certain instances, the customer picks up the goods at the Company's distribution center, and thereby obtains control of such product. Amounts billed and due from our customers are classified as accounts receivables on the balance sheet and require payment on a short-term basis. Accounts receivable are unsecured. Shipping and handling costs are included in selling, marketing and administrative expenses. We also recognize a minor amount of royalty income (less than 0.2% of our consolidated net sales) from sales-based licensing arrangements, pursuant to which revenue is recognized as the third-party licensee sales occur. Rental income (less than 1% of our consolidated net sales) is not considered revenue from contracts from customers. See "Recently Adopted Accounting Pronouncements" for further discussion.

Recently Adopted Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, (ASC Topic 606) which supersedes nearly all existing revenue recognition guidance. Subsequent to the issuance of ASC Topic 606, the FASB clarified and amended the guidance through several Accounting Standard Updates; hereinafter the collection of revenue guidance is referred to as "ASC 606". The core principle of ASC 606 is that revenue should be recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company adopted ASU 2014-09 and related amendments (ASC 606) as of January 1, 2018 using the modified retrospective method. As a result of adoption, the cumulative impact to retained earnings at January 1, 2018 was a net after-tax increase of \$3,319 (\$4,378 pre-tax). The adoption principally changed the timing of recognition of certain trade promotions and related adjustments thereto which affect net product sales. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. The Company expects the impact of the adoption of the new standard to be immaterial to its net income on an ongoing basis. Revenue continues to be recognized at a point in time for product sales when products are delivered to or picked up by the customer as discussed above.

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In February 2018, the FASB issued ASU 2018-02 which provides financial statement preparers with an option to reclassify stranded tax effects within Accumulated Other Comprehensive Income (AOCI) to retained earnings in each period in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act (or portion thereof) is recorded. The guidance is effective for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Early adoption is permitted, including adoption in any interim period. The amendments should be applied either in the period adopted or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recognized. The Company early adopted ASU 2018-02 on January 1, 2018 with a \$593 cumulative-effect adjustment from AOCI to decrease retained earnings related to certain tax effects of unrealized gains and losses on available-for-sale securities and other post-retirement benefits. No other income tax effects related to the application of the Tax Cuts and Jobs Act were reclassified from AOCI to retained earnings.

In March 2018, the FASB issued ASU 2018-05 which adds various Securities and Exchange Commission (“SEC”) paragraphs pursuant to the issuance of the December 2017 SEC Staff Accounting Bulletin No. 118, Income Tax Accounting Implications of the Tax Cuts and Jobs Act (“SAB 118”), which was effective immediately. The SEC issued SAB 118 to address concerns about reporting entities’ ability to timely comply with the accounting requirements to recognize all of the effects of the Tax Cuts and Jobs Act in the period of enactment. SAB 118 allows disclosure that timely determination of some or all of the income tax effects from the Tax Cuts and Jobs Act are incomplete by the due date of the financial statements and if possible to provide a reasonable estimate. The Company has accounted for the tax effects of the Tax Cuts and Jobs Act under the guidance of SAB 118, on a provisional basis. The accounting for certain income tax effects is incomplete, but the Company has determined reasonable estimates for those effects and has recorded provisional amounts in the condensed consolidated financial statements as of September 30, 2018 and December 31, 2017.

In January 2016, the FASB issued ASU 2016-01, as amended by ASU 2018-03, issued in February 2018, which among other changes in accounting and disclosure requirements, replaces the cost method of accounting for non-marketable equity securities with a model for recognizing impairments and observable price changes, and also eliminates the available-for-sale classification for marketable equity securities. The Company adopted this guidance as of January 1, 2018. The Company does not have any non-marketable securities, and therefore, the adoption of this guidance did not have any impact on its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, which clarifies how entities should classify certain cash receipts and cash payments on the statement of cash flows. The standard will be effective for fiscal years beginning after December 15, 2017, including interim periods within those years. The Company retrospectively adopted this guidance effective January 1, 2018. The Company’s adoption of this guidance did not have a material impact on its consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18 which requires amounts generally described as restricted cash and restricted cash equivalents be included with cash and cash equivalents when reconciling the total beginning and

ending amounts for the periods shown on the statement of cash flows. The standard is effective for fiscal years beginning after December 15, 2017, including interim periods within those years using a retrospective transition method to each period presented. The Company retrospectively adopted this guidance as of January 1, 2018. The Company's adoption of this guidance did not have a material impact on its consolidated financial statements.

In March 2017, the FASB issued ASU 2017-07 which requires companies with other postretirement employee benefit plans to present the service cost component of net periodic benefit cost in the same income statement line item as other compensation costs. The other components of net periodic benefit cost will be presented separately and not included in operating income. The standard will be effective for fiscal years beginning after December 15, 2017, including interim periods within those years. The Company retrospectively adopted this guidance effective January 1, 2018. The Company's adoption of this guidance did not have a material impact on its consolidated financial statements.

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Recently Issued Accounting Pronouncements - Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02 which amends existing guidance to require lessees to recognize assets and liabilities on the balance sheet for the rights and obligations created by long-term leases and to disclose additional quantitative and qualitative information about leasing arrangements. This ASU also provides clarifications surrounding the presentation of the effects of leases in the income statement and statement of cash flows. This guidance will be effective for the Company on January 1, 2019. The Company owns substantially all of its personal property and real estate. However, the Company expects the new lease standard to increase its total assets and liabilities. The Company is currently evaluating the magnitude of the impact that this guidance will have on its consolidated financial statements upon adoption.

In August 2017, the FASB issued ASU 2017-12, guidance that amends hedge accounting. Under the new guidance, more hedging strategies will be eligible for hedge accounting and the application of hedge accounting is simplified. The new guidance amends presentation and disclosure requirements, and how effectiveness is assessed. The guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within those years. Early adoption is permitted. The Company has completed its initial assessment and does not expect adoption of this guidance to have a material impact on its consolidated financial statements.

Note 2 — Average Shares Outstanding

The average number of shares outstanding for nine months 2018 reflects stock purchases of 502 shares for \$16,650 and a 3% stock dividend of 1,869 shares distributed on April 6, 2018. The average number of shares outstanding for nine months 2017 reflects stock purchases of 809 shares for \$30,027 and a 3% stock dividend of 1,847 shares distributed on April 17, 2017.

Note 3 — Income Taxes

The Company is subject to taxation in the U.S. and various state and foreign jurisdictions. The Company remains subject to examination by U.S. federal and state and foreign tax authorities for the years 2015 through 2017. With few exceptions, the Company is no longer subject to examination by tax authorities for the year 2014 and prior. The consolidated effective tax rates were 21.5% and 31.0% in third quarter 2018 and 2017, respectively, and 22.1% and 29.8% in nine months 2018 and 2017, respectively. The lower effective tax rate in third quarter and nine months 2018 compared to third quarter and nine months 2017 principally reflects the lower U.S. federal statutory tax rate of 21% effective for 2018.

The Company believes it has obtained and analyzed all reasonably available information necessary to record the effects of the change in tax law and considers its accounting for the effects of the 2017 Tax Reform Act to be provisional as of September 30, 2018. The ultimate impact may differ from these provisional amounts, possibly materially, due to, among other things, additional regulatory guidance that may be issued by the Internal Revenue Service, and actions the Company may take as a result of the Tax Reform Act.

Note 4 — Fair Value Measurements

Current accounting guidance defines fair value as the price that would be received on the sale of an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Guidance requires disclosure of the extent to which fair value is used to measure financial assets and liabilities, the inputs utilized in calculating valuation measurements, and the effect of the measurement of significant unobservable inputs on earnings, or changes in net assets, as of the measurement date. Guidance establishes a three-level valuation hierarchy based upon the transparency of inputs utilized in the measurement and valuation of financial assets or liabilities as of the measurement date. Level 1 inputs include quoted prices for identical instruments and are the most observable. Level 2 inputs include quoted prices for similar assets and observable inputs such as interest rates, foreign currency exchange rates, commodity rates and yield curves. Level 3 inputs are not observable in the market and include management's own judgments about the assumptions market participants would use in pricing the asset or liability. The use of observable and unobservable inputs is reflected in the hierarchy assessment disclosed in the table below.

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As of September 30, 2018, December 31, 2017 and September 30, 2017, the Company held certain financial assets that are required to be measured at fair value on a recurring basis. These included derivative hedging instruments related to the purchase of certain raw materials and foreign currencies, investments in trading securities and available for sale securities. The Company's available for sale securities principally consist of corporate and municipal bonds that are publicly traded and variable rate demand notes and obligations with interest rates that generally reset weekly and the security can be "put" back and sold weekly. Trading securities principally consist of equity mutual funds that are publicly traded.

The following table presents information about the Company's financial assets and liabilities measured at fair value as of September 30, 2018, December 31, 2017 and September 30, 2017 and indicate the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value:

	Estimated Fair Value September 30, 2018			
	Total	Input Levels Used		
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 64,333	\$ 64,333	\$ -	\$ -
Available for sale securities	189,172	732	188,440	-
Foreign currency forward contracts	177	-	177	-
Commodity futures contracts	(859)	(859)	-	-
Trading securities	67,594	67,594	-	-
Total assets measured at fair value	\$ 320,417	\$ 131,800	\$ 188,617	\$ -

	Estimated Fair Value December 31, 2017			
	Total	Input Levels Used		
	Fair Value	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 96,314	\$ 96,314	\$ -	\$ -
Available for sale securities	171,596	1,200	170,396	-
Foreign currency forward contracts	79	-	79	-
Commodity futures contracts, net	32	32	-	-
Trading securities	60,520	60,520	-	-
Total assets measured at fair value	\$ 328,541	\$ 158,066	\$ 170,475	\$ -