

PHILLIPS VAN HEUSEN CORP /DE/
Form 8-K
September 10, 2010

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)

September 10, 2010

PHILLIPS-VAN HEUSEN CORPORATION
(Exact name of registrant as specified in its charter)

| | | |
|---|---|--|
| <u>Delaware</u> (State or other jurisdiction of incorporation) | <u>001-07572</u> (Commission File Number) | <u>13-1166910</u> (IRS Employer Identification No.) |
| <u>200 Madison Avenue, New York, New York</u> (Address of principal executive offices) | | <u>10016</u> (Zip Code) |

Registrant's telephone number, including area code (212)-381-3500

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
(17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
(17 CFR 240.13e-4(c))

ITEM 2.02

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Phillips-Van Heusen Corporation (the Company) completed its acquisition of Tommy Hilfiger B.V. and certain affiliated companies on May 6, 2010. The acquisition has significantly impacted the way the Company and its chief operating decision maker manage, analyze and discuss its operating results and business and, as a result, the Company has re-cast its segments. The Company's Form 10-Q for the period ended August 1, 2010, which was filed on September 10, 2010, includes a discussion of the Company's new segments, as well as a presentation of revenue and earnings (loss) before interest and taxes by segment for the thirteen and twenty-six week periods ended August 1, 2010 and August 2, 2009.

In order to assist investors in understanding the Company's historical results for 2009 in the new segment format, the Company is furnishing the below schedules, which present the Company's 2009 quarterly and annual revenue and earnings (loss) before interest and taxes by segment.

The information in this Form 8-K shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, regardless of any general incorporation language in such filing.

Presentation of Non-GAAP Amounts

The amounts referred to as non-GAAP in the following schedules exclude the costs incurred in connection with the Company's restructuring initiatives announced in the fourth quarter of 2008 and executed during 2009, including the shutdown of the Company's domestic production of machine-made neckwear, a realignment of the Company's global sourcing organization, reductions in warehousing capacity, lease termination fees for the majority of the Company's Calvin Klein specialty retail stores and other initiatives to reduce corporate and administrative expenses. The Company believes presenting its 2009 results excluding these costs provides useful additional information to investors. The Company also believes that the exclusion of such amounts facilitates comparing past results against future results by eliminating amounts that it believes are not comparable between periods, thereby permitting management to evaluate performance and investors to make decisions based on the ongoing operations of the Company. The Company further believes that investors often look at ongoing operations of an enterprise as a measure of assessing performance. The Company uses its results excluding these amounts to evaluate its operating performance and to discuss its business with investment institutions, the Company's Board of Directors and others. The Company's results excluding these costs are also the basis for certain incentive compensation calculations.

PHILLIPS-VAN HEUSEN CORPORATION**Segment Data***(In thousands)***REVENUE BY SEGMENT**

| | Quarter Ended 5/3/09 | Quarter Ended 8/2/09 | Quarter Ended 11/1/09 | Quarter Ended 1/31/10 | Year Ended 1/31/10 |
|--|-------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|
| <u>Heritage Brand Wholesale Dress Furnishings</u> | | | | | |
| Net sales | \$ 120,857 | \$ 99,372 | \$ 146,499 | \$ 123,117 | \$ 489,845 |
| Royalty revenue | 1,601 | 1,390 | 1,411 | 1,457 | 5,859 |
| Advertising and other revenue | <u>423</u> | <u>309</u> | <u>415</u> | <u>534</u> | <u>1,681</u> |
| Total | 122,881 | 101,071 | 148,325 | 125,108 | 497,385 |
| <u>Heritage Brand Wholesale Sportswear</u> | | | | | |
| Net sales | 124,121 | 88,817 | 148,721 | 111,442 | 473,101 |
| Royalty revenue | 2,487 | 2,948 | 2,345 | 2,353 | 10,133 |
| Advertising and other revenue | <u>735</u> | <u>87</u> | <u>665</u> | <u>444</u> | <u>1,931</u> |
| Total | 127,343 | 91,852 | 151,731 | 114,239 | 485,165 |
| <u>Heritage Brand Retail</u> | | | | | |
| Net sales | 126,297 | 158,746 | 161,491 | 163,803 | 610,337 |
| Royalty revenue | 1,002 | 1,330 | 1,036 | 993 | 4,361 |
| Advertising and other revenue | <u>287</u> | <u>40</u> | <u>306</u> | <u>162</u> | <u>795</u> |
| Total | 127,586 | 160,116 | 162,833 | 164,958 | 615,493 |
| <u>Total Heritage Brands</u> | | | | | |
| Net sales | 371,275 | 346,935 | 456,711 | 398,362 | 1,573,283 |
| Royalty revenue | 5,090 | 5,668 | 4,792 | 4,803 | 20,353 |
| Advertising and other revenue | <u>1,445</u> | <u>436</u> | <u>1,386</u> | <u>1,140</u> | <u>4,407</u> |
| Total | 377,810 | 353,039 | 462,889 | 404,305 | 1,598,043 |
| <u>Other (Calvin Klein Apparel)</u> | | | | | |
| Net sales | <u>97,500</u> | <u>105,242</u> | <u>134,617</u> | <u>127,416</u> | <u>464,775</u> |
| Total | 97,500 | 105,242 | 134,617 | 127,416 | 464,775 |
| <u>Calvin Klein Licensing</u> | | | | | |
| Net sales | 6,970 | 5,233 | 12,288 | 8,205 | 32,696 |
| Royalty revenue | 53,828 | 46,903 | 65,808 | 55,134 | 221,673 |
| Advertising and other revenue | <u>21,317</u> | <u>18,866</u> | <u>21,838</u> | <u>19,523</u> | <u>81,544</u> |
| Total | 82,115 | 71,002 | 99,934 | 82,862 | 335,913 |
| <u>Total Calvin Klein</u> | | | | | |

| | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| Net sales | 104,470 | 110,475 | 146,905 | 135,621 | 497,471 |
| Royalty revenue | 53,828 | 46,903 | 65,808 | 55,134 | 221,673 |
| Advertising and other revenue | <u>21,317</u> | <u>18,866</u> | <u>21,838</u> | <u>19,523</u> | <u>81,544</u> |
| Total | 179,615 | 176,244 | 234,551 | 210,278 | 800,688 |
| <u>Total Revenue</u> | | | | | |
| Net sales | 475,745 | 457,410 | 603,616 | 533,983 | 2,070,754 |
| Royalty revenue | 58,918 | 52,571 | 70,600 | 59,937 | 242,026 |
| Advertising and other revenue | <u>22,762</u> | <u>19,302</u> | <u>23,224</u> | <u>20,663</u> | <u>85,951</u> |
| Total | <u>\$ 557,425</u> | <u>\$ 529,283</u> | <u>\$ 697,440</u> | <u>\$ 614,583</u> | <u>\$2,398,731</u> |

PHILLIPS-VAN HEUSEN CORPORATION**Segment Data (Continued)****(In thousands)****EARNINGS (LOSS) BEFORE INTEREST AND TAXES BY SEGMENT**

| | Quarter Ended 5/3/09 | | | Quarter Ended 8/2/09 | | |
|--|--------------------------|----------------------------|---------------------|--------------------------|----------------------------|---------------------|
| | Results Under GAAP | Adjustments ⁽¹⁾ | Non-GAAP Results | Results Under GAAP | Adjustments ⁽¹⁾ | Non-GAAP Results |
| Heritage Brand Wholesale Dress Furnishings | \$ 16,168 | \$ (541) | \$ 16,709 | \$ 4,161 | | \$ 4,161 |
| Heritage Brand Wholesale Sportswear | 16,600 | (513) | 17,113 | 11,249 | \$ (188) | 11,437 |
| Heritage Brand Retail | <u>(3,779)</u> | <u>(1,691)</u> | <u>(2,088)</u> | <u>11,737</u> | <u>(650)</u> | <u>12,387</u> |
| Total Heritage Brands | 28,989 | (2,745) | 31,734 | 27,147 | (838) | 27,985 |
| Other (Calvin Klein Apparel) | 957 | (1,202) | 2,159 | 7,598 | (1,094) | 8,692 |
| Calvin Klein Licensing | <u>33,951</u> | <u>_____</u> | <u>33,951</u> | <u>35,775</u> | <u>_____</u> | <u>35,775</u> |
| Total Calvin Klein | 34,908 | (1,202) | 36,110 | 43,373 | (1,094) | 44,467 |
| Corporate | <u>(14,783)</u> | <u>(773)</u> | <u>(14,010)</u> | <u>(19,071)</u> | <u>(4,324)</u> | <u>(14,747)</u> |
| Total earnings (loss) before interest and taxes | \$ 49,114 | \$ (4,720) | \$ 53,834 | \$ 51,449 | \$ (6,256) | \$ 57,705 |

(1)

Adjustments for the quarters ended May 3, 2009 and August 2, 2009 represent the elimination of the costs incurred in these quarters in connection with the Company's restructuring initiatives announced in the fourth quarter of 2008, including the shutdown of domestic production of machine-made neckwear, a realignment of the Company's global sourcing organization, reductions in warehousing capacity and other initiatives to reduce corporate and administrative expenses.

PHILLIPS-VAN HEUSEN CORPORATION**Segment Data (Continued)***(In thousands)***EARNINGS (LOSS) BEFORE INTEREST AND TAXES BY SEGMENT**

| | Quarter Ended 11/1/09 | | | Quarter Ended 1/31/10 | | |
|--|---------------------------------|-----------------------------------|----------------------------|---------------------------------|-----------------------------------|----------------------------|
| | Results Under <u>GAAP</u> | <u>Adjustments</u> ⁽¹⁾ | Non-GAAP <u>Results</u> | Results Under <u>GAAP</u> | <u>Adjustments</u> ⁽¹⁾ | Non-GAAP <u>Results</u> |
| Heritage Brand Wholesale Dress Furnishings | \$ 25,224 | | \$ 25,224 | \$ 10,513 | | \$ 10,513 |
| Heritage Brand Wholesale Sportswear | 20,686 | | 20,686 | 2,902 | | 2,902 |
| Heritage Brand Retail | <u>11,312</u> | | <u>11,312</u> | <u>9,559</u> | | <u>9,559</u> |
| Total Heritage Brands | 57,222 | | 57,222 | 22,974 | | 22,974 |
| Other (Calvin Klein Apparel) | 5,649 | \$ (6,091) | 11,740 | 2,991 | \$ (8,747) | 11,738 |
| Calvin Klein Licensing | <u>45,043</u> | | <u>45,043</u> | <u>40,065</u> | | <u>40,065</u> |
| Total Calvin Klein | 50,692 | (6,091) | 56,783 | 43,056 | (8,747) | 51,803 |
| Corporate | <u>(17,478)</u> | <u>(83)</u> | <u>(17,395)</u> | <u>(13,217)</u> | | <u>(13,217)</u> |
| Total earnings (loss) before interest and taxes | \$ <u>90,436</u> | \$ <u>(6,174)</u> | \$ <u>96,610</u> | \$ <u>52,813</u> | \$ <u>(8,747)</u> | \$ <u>61,560</u> |

(1)

Adjustments for the quarters ended November 1, 2009 and January 31, 2010 represent the elimination of the costs incurred in these quarters in connection with the Company's restructuring initiatives announced in the fourth quarter of 2008, principally related to lease termination fees for Calvin Klein specialty retail stores.

PHILLIPS-VAN HEUSEN CORPORATION**Segment Data (Continued)***(In thousands)***EARNINGS (LOSS) BEFORE INTEREST AND TAXES BY SEGMENT**

| | Results Under GAAP | Year Ended 1/31/10 Adjustments⁽¹⁾ | Non-GAAP Results |
|--|-----------------------------------|---|-----------------------------|
| Heritage Brand Wholesale Dress Furnishings | \$ 56,066 | \$ (541) | \$ 56,607 |
| Heritage Brand Wholesale Sportswear | 51,437 | (701) | 52,138 |
| Heritage Brand Retail | <u>28,829</u> | <u>(2,341)</u> | <u>31,170</u> |
| Total Heritage Brands | 136,332 | (3,583) | 139,915 |
| Other (Calvin Klein Apparel) | 17,195 | (17,134) | 34,329 |
| Calvin Klein Licensing | <u>154,834</u> | <u> </u> | <u>154,834</u> |
| Total Calvin Klein | 172,029 | (17,134) | 189,163 |
| Corporate | <u>(64,549)</u> | <u>(5,180)</u> | <u>(59,369)</u> |
| Total earnings (loss) before interest and taxes | <u>\$ 243,812</u> | <u>\$ (25,897)</u> | <u>\$ 269,709</u> |

(1)

Adjustments for the year ended January 31, 2010 represent the elimination of the costs incurred in connection with the Company's restructuring initiatives announced in the fourth quarter of 2008, including the shutdown of domestic production of machine-made neckwear, a realignment of the Company's global sourcing organization, reductions in warehousing capacity, lease termination fees for the majority of the Company's Calvin Klein specialty retail stores and other initiatives to reduce corporate and administrative expenses.

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.

PHILLIPS-VAN HEUSEN CORPORATION

By: /s/ Bruce Goldstein

Bruce Goldstein

Senior Vice President and Controller

Date: September 10, 2010