

NAVISTAR INTERNATIONAL CORP
Form 8-K
August 03, 2017

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): August 3, 2017

NAVISTAR INTERNATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of

1-9618
(Commission

36-3359573
(I.R.S. Employer

incorporation or organization)

File No.)

Identification No.)

2701 Navistar Drive

Lisle, Illinois

(Address of principal executive offices)

60532

(Zip Code)

Registrant's telephone number, including area code: (331) 332-5000

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

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.

ITEM 2.05 COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES

On August 3, 2017, Navistar International Corporation (the Company) announced its plan to cease engine production at its plant in Melrose Park, Ill. (Melrose Park Facility) in the second quarter of fiscal 2018. The majority of engines produced at the Melrose Park Facility are medium duty 9/10 liter engines used in International® Class 6 and 7 vehicles, for which alternative engine options are currently offered in all applications. The company will continue the transformation of the facility's technical center, including truck and engine testing and validation as well as used truck sales and reconditioning, continuing the process that started in 2010.

As a result of the cessation of engine production at the Melrose Park Facility, the Company incurred pre-tax charges of approximately \$43 million, which consists of charges of \$32 million for employee separation and other pension and post retirement contractual termination benefits, and \$11 million for inventory reserves and other-related charges. Approximately \$8 million of these restructuring charges will result in additional future cash outlays. In addition, the Company anticipates up to \$8 million in additional charges for accelerated depreciation and related impacts during the remainder of fiscal 2017 the first half of fiscal 2018.

ITEM 7.01 REGULATION FD DISCLOSURE

In accordance with General Instruction B.2. to Form 8-K, the following information shall not be deemed filed for purposes of Section 18 of the Securities Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

On August 3, 2017, the Company issued a press release announcing its planned cessation of engine production at the Melrose Park Facility. The press release is attached hereto as Exhibit 99.1 and is incorporated in this Item 7.01 by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit

| No. | Description |
|------------|---|
| 99.1 | Press Release, dated August 3, 2017 Navistar To End Production of Proprietary Medium Duty 9/10 Liter Engine in 2018 |

Forward-Looking Statements

Information provided and statements contained in this report that are not purely historical are forward-looking statements within the meaning of the federal securities laws. Such forward-looking statements only speak as of the date of this report and the company assumes no obligation to update the information included in this report. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as believe, expect, anticipate, intend, plan, estimate, or similar expressions. These statements are not guarantees of performance or results and they involve risks, uncertainties, and assumptions. For a further description of these factors, see the risk factors set forth in our filings with the Securities and Exchange Commission, including our annual report on

Form 10-K for the fiscal year ended October 31, 2016. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. Except for our ongoing obligations to disclose material information as required by the federal securities laws, we do not have any obligations or intention to release publicly any revisions to any forward-looking statements to reflect events or circumstances in the future or to reflect the occurrence of unanticipated events.

SIGNATURE

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.

NAVISTAR INTERNATIONAL
CORPORATION
(Registrant)

By: /s/ Walter G. Borst
Name: Walter G. Borst
Title: Executive Vice President and Chief
Financial Officer

Dated: August 3, 2017

EXHIBIT INDEX

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