

BRUNSWICK CORP  
Form 10-Q  
November 05, 2010

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 October 2, 2010

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 1-1043

Brunswick Corporation

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(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

36-0848180  
(I.R.S. Employer Identification No.)

1 N. Field Court, Lake Forest, Illinois 60045-4811

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(Address of principal executive offices, including zip code)

(847) 735-4700

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(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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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 Web site, 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

(Do not check if a 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

The number of shares of Common Stock (\$0.75 par value) of the registrant outstanding as of November 1, 2010, was 88,656,402.

BRUNSWICK CORPORATION  
INDEX TO QUARTERLY REPORT ON FORM 10-Q  
October 2, 2010

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## PART I – FINANCIAL INFORMATION

## Item 1. Condensed Consolidated Financial Statements

BRUNSWICK CORPORATION  
Consolidated Statements of Operations  
(unaudited)

(in millions, except per share data)	Three Months Ended		Nine Months Ended	
	October 2, 2010	October 3, 2009	October 2, 2010	October 3, 2009
Net sales	\$815.4	\$665.8	\$2,674.5	\$2,118.8
Cost of sales	632.1	590.2	2,070.3	1,878.0
Selling, general and administrative expense	122.8	136.7	401.6	454.5
Research and development expense	23.1	19.5	67.8	64.7
Restructuring, exit and impairment charges	12.2	28.8	43.8	103.9
Operating earnings (loss)	25.2	(109.4 )	91.0	(382.3 )
Equity loss	(2.0 )	(3.8 )	(1.2 )	(11.1 )
Other income (expense), net	(2.2 )	0.3	(1.6 )	(1.3 )
Earnings (loss) before interest, loss on early extinguishment of debt and income taxes	21.0	(112.9 )	88.2	(394.7 )
Interest expense	(22.7 )	(23.6 )	(70.9 )	(60.1 )
Interest income	0.9	0.7	2.5	2.2
Loss on early extinguishment of debt	(1.1 )	(0.1 )	(5.5 )	(0.1 )
Earnings (loss) before income taxes	(1.9 )	(135.9 )	14.3	(452.7 )
Income tax provision (benefit)	5.3	(21.6 )	20.8	9.5
Net loss	\$(7.2 )	\$(114.3 )	\$(6.5 )	\$(462.2 )
Loss per common share:				
Basic	\$(0.08 )	\$(1.29 )	\$(0.07 )	\$(5.23 )
Diluted	\$(0.08 )	\$(1.29 )	\$(0.07 )	\$(5.23 )
Weighted average shares used for computation of:				
Basic loss per common share	88.8	88.4	88.7	88.4
Diluted loss per common share	88.8	88.4	88.7	88.4

The Notes to Condensed Consolidated Financial Statements are an integral part of these consolidated statements.

BRUNSWICK CORPORATION  
Condensed Consolidated Balance Sheets

	October 2,	December	October 3,
(in millions)	2010	31,	2009
	(unaudited)	2009	(unaudited)
Assets			