

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Scott's Liquid Gold - Inc.

Form: 8-K

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Corporate Issuer CIK: 88000

**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): March 10, 2020

SCOTT'S LIQUID GOLD-INC.

(Exact Name of Registrant as Specified in Charter)

Colorado
(State or Other Jurisdiction
of Incorporation)

001-13458
(Commission File Number)

84-0920811
(I.R.S. Employer
Identification No.)

4880 Havana Street, Denver, CO
(Address of Principal Executive Offices)

80239
(Zip Code)

Registrant's telephone number, including area code: (303) 373-4860

Check the appropriate box below if the Form 8-K 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))

Securities registered pursuant to Section 12(b) of the Exchange Act.

Title of each class	Trading Symbol	Name of exchange on which registered
None	None	None

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 1.01 Entry into a Material Definitive Agreement.

On March 10, 2020, Scott's Liquid Gold-Inc. (the "Company") closed its previously announced Asset Purchase Agreement (the "Purchase Agreement") with Colorado Quality Products LLC, an affiliate of Elevation Labs ("Elevation").

Elevation paid the Company a cash purchase price of approximately \$0.5 million, acquired the Company's manufacturing fixed assets and is now the lessor of the manufacturing facilities previously leased by the Company and will assumed the Company's corporate office lease. During a transitional period anticipated to be no longer than six months, Elevation will manufacture certain of the Company's products pursuant to a manufacturing and supply agreement between the parties and the Company will lease back from Elevation a portion of the corporate office space. The Purchase Agreement was amended in connection with the closing to delay the assignment and sublease of the corporate office space until the end of March 2020 in order to accommodate transitional matters.

Item 7.01 Regulation FD Disclosure.

On March 12, 2020, the Company issued a press release announcing the closing of the Purchase Agreement. A copy of the press release is furnished as Exhibit 99.1 to this Current Report. The following information, including Exhibit 99.1, will not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor will such information or exhibit be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as is expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit Description
99.1*	Scott's Liquid Gold-Inc. Press Release, dated March 12, 2020.

* Filed herewith.

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.

SCOTT'S LIQUID GOLD-INC.

Date: March 12, 2020

By: /s/ Kevin A. Paprzycki

Kevin A. Paprzycki
Chief Financial Officer



Corporate & financial news release

SCOTT'S LIQUID GOLD-INC. CLOSES ON PREVIOUSLY ANNOUNCED SALE OF MANUFACTURING OPERATION

DENVER, COLORADO – March 12, 2020 – Scott's Liquid Gold-Inc. (OTC: SLGD) today announced the closing of the previously announced sale of its manufacturing operation to an affiliate of Elevation Labs, a beauty and personal care manufacturer.

Elevation assumed Scott's remaining facilities & corporate office leases, and Scott's received net cash proceeds of \$0.5 million. The companies also agreed to enter into a manufacturing and supply agreement under which Elevation will manufacture Scott's products during the transition.

Mark Goldstein, CEO and Chairman of Scott's said, "We are excited to have closed this transaction, which is a huge step towards an outsourced operations model. As we begin selecting our long-term partners, our goal is to have both production and distribution fully outsourced by the end of the third quarter 2020. This will allow us to focus on the growth and marketing of our high-quality, high-value brands.

I'd like to again personally thank our Scott's Liquid Gold operational team. Their efforts, flexibility, and professionalism during this transition have positioned all parties for long-term success. I wish them success in their future careers with Elevation and beyond."

Kevin Paprzycki, CFO added, "Our operational team has set us up well for the next phase of this strategic transition by increasing production and building finished product inventories across our brands. As we phase in our outsourced production and reduce overall inventory levels over the course of 2020, we are positioning ourselves to see financial benefits from lower production and distribution costs in 2021."



Note Regarding Forward-Looking Statements

This news release may contain "forward-looking statements" within the meaning of the federal securities laws that are intended to qualify for the Safe Harbor from liability established by the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" generally can be identified by the use of forward-looking terminology such as "assumptions," "target," "guidance," "strategy," "outlook," "plans," "projection," "may," "will," "would," "expect," "intend," "estimate," "anticipate," "believe", "potential," or "continue" (or the negative or other derivatives of each of these terms) or similar terminology.

Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, or results. All forward-looking statements, by their nature, are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. Actual future objectives, strategies, plans, prospects, performance, conditions, or results may differ materially from those set forth in any forward-looking statement. Some of the factors that may cause actual results or other future events or circumstances to differ from those in forward-looking statements are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 and other periodic reports filed with the Securities and Exchange Commission. Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made, except as required by applicable securities laws. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent filings with the Securities and Exchange Commission.

Investor Relations Contact:

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