

**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): **February 27, 2020**

**ACME UNITED CORPORATION**

(Exact name of registrant as specified in its charter)

**Connecticut**

(State or other jurisdiction  
of incorporation or organization)

**001-07698**

(Commission file number)

**06-0236700**

(I.R.S. Employer  
Identification No.)

**55 Walls Drive, Fairfield, Connecticut**

(Address of principal executive offices)

**06824**

(Zip Code)

Registrant's telephone number, including area code: **(203) 254-6060**

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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$2.50 par value per share	ACU	NYSE American

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 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.**

On February 27, 2020, Acme United Corporation (the “Company”) issued a press release announcing its financial results for the year ended December 31, 2019. A copy of the press release is attached as Exhibit 99.1 to this current report.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press release dated February 27, 2020.</u></a>

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.

ACME UNITED CORPORATION

By \_\_\_\_\_ /s/ WALTER C. JOHNSEN  
Walter C. Johnsen  
Chairman and  
Chief Executive Officer

Dated: February 27, 2020

By \_\_\_\_\_ /s/ PAUL G. DRISCOLL  
Paul G. Driscoll  
Vice President and  
Chief Financial Officer

Dated: February 27, 2020

**ACME UNITED CORPORATION****NEWS RELEASE**

CONTACT: Paul G. Driscoll

Acme United Corporation

55 Walls Drive

Fairfield, CT 06824

Phone: (203) 254-6060

FAX: (203) 254-6521

**FOR IMMEDIATE RELEASE February 27, 2020****ACME UNITED REPORTS 9% SALES INCREASE, AND 65% NET INCOME AND EPS INCREASE FOR FOURTH QUARTER OF 2019**

FAIRFIELD, CT. – February 27, 2020 – Acme United Corporation (NYSE American: ACU) today announced that net sales for the fourth quarter ended December 31, 2019 were \$33.9 million, compared to \$31.1 million in the comparable period of 2018, an increase of 9%. Net sales for the year ended December 31, 2019 were \$142.5 million, compared to \$137.3 million in 2018, an increase of 4%.

Net income for the quarter ended December 31, 2019 was \$977,000, or \$0.28 per diluted share, compared to \$591,000, or \$0.17 per diluted share, an increase of 65% for both net income and earnings per share. Net income for the year ended December 31, 2019 was \$5.5 million, or \$1.60 per diluted share, compared to \$4.6 million, or \$1.30 per diluted share in 2018, increases of 20% and 23%, respectively.

Chairman and CEO Walter C. Johnsen said, “Acme United delivered an excellent year in 2019 from many different perspectives. On the new product front, we introduced the next generation of Smart Compliance first aid kits while at the same time expanding distribution of our innovative Safety Hub refill software. We had strong sales of our new Westcott adjustable scissors, which -have adjustable tension and operate more smoothly than traditional scissors. Camillus knives continued to gain market share in the U.S. and Canada.

“On the sales front, we achieved our ninth consecutive year of record sales. We generated strong cash flow, increased our dividend, and reduced net debt by almost \$10 million. We also began 2020 on a strong note, acquiring First Aid Central, a Canadian first aid and safety supplier, in early January. The acquisition, which we expect to be accretive in 2020, expands our product offerings, global distribution capabilities and online presence.”

---

Mr. Johnsen added, “With our continuing sales momentum in first aid and safety products, expanded line of Westcott cutting tools, increased capacity at DMT, and contributions from our recent acquisition of First Aid Central, we believe we are well positioned for growth in 2020.”

In the U.S. segment, net sales for the quarter ended December 31, 2019 increased 11% compared to the same period in 2018. Net sales for the year ended December 31, 2019 grew 4% over 2018. The sales increase for both periods was mainly due to strong sales of first aid and safety products.

Net sales in Canada for the quarter ended December 31, 2019 decreased 4% in both U.S. dollars and local currency compared to the prior-year period. Net sales for the year ended December 31, 2019 decreased 5% in U.S. dollars and 3% in local currency compared to the same period in 2018.

Net sales in Europe for the quarter ended December 31, 2019 decreased 10% in U.S. dollars and 7% in local currency compared to the same period in 2018. Net sales for the year ended December 31, 2019 increased 8% in U.S. dollars and 14% in local currency compared to last year. The sales decline in the quarter was mainly due to a large promotional sale in the fourth quarter of 2018 that did not repeat in 2019. Net sales for the year grew mainly due to new customers in the office products channel, growth in sales of DMT sharpening products, and strong e-commerce demand for these products.

Gross margin was 36.3% in the three months ended December 31, 2019 compared to 36.5% in the same period in 2018. Gross margin was 36.5% for the year ended December 31, 2019 compared to 36.9% for 2018.

The Company’s debt less cash on December 31, 2019 was \$30.0 million compared to \$39.6 million on December 31, 2018. During the year, the Company distributed \$1.6 million in dividends on its common stock and generated \$13.0 million in free cash flow, including a \$2.1 million reduction in inventory.

---

### **Conference Call and Webcast Information**

Acme United will hold a conference call to discuss its quarterly results, which will be broadcast on Thursday, February 27, 2020 at 12:00 p.m. EST. To listen or participate in a question and answer session, dial 800-353-6461. International callers may dial 334-323-0501. You may access the live webcast of the conference call through the Investor Relations section of the Company's website, [www.acmeunited.com](http://www.acmeunited.com). A replay may be accessed under Investor Relations, Audio Archives.

### **About Acme United**

**ACME UNITED CORPORATION** is a leading worldwide supplier of innovative safety solutions and cutting technology to the school, home, office, hardware, sporting goods and industrial markets. Its leading brands include First Aid Only®, PhysiciansCare®, Pac-Kit®, Spill Magic®, Westcott®, Clauss®, Camillus®, Cuda®, and DMT®. For more information, visit [www.acmeunited.com](http://www.acmeunited.com).

### **Forward Looking Statements**

Forward-looking statements in this report, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties including, without limitation, the following: (i) changes in the Company's plans, strategies, objectives, expectations and intentions, which may be made at any time at the discretion of the Company; (ii) the impact of uncertainties in global economic conditions, including the impact on the Company's suppliers and customers; (iii) changes in client needs and consumer spending habits; (iv) the impact of competition and technological changes on the Company; (v) the Company's ability to manage its growth effectively, including its ability to successfully integrate any business it might acquire; (vi) currency fluctuations; (vii) increases in the cost of borrowings resulting from rising interest rates; (viii) international trade policies and their impact on demand for our products and our competitive position, including the imposition of new tariffs or changes in existing tariff rates; and (ix) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission.

# # #

---

ACME UNITED CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
YEAR END REPORT 2019  
(Unaudited)

Amounts in \$000's except per share data	Quarter Ended December 31, 2019	Quarter Ended December 31, 2018
Net sales	\$ 33,873	\$ 31,130
Cost of goods sold	21,579	19,768
Gross profit	12,294	11,362
Selling, general, and administrative expenses	10,893	10,269
Income from operations	1,401	1,093
Interest expense	(338)	(523)
Interest income	12	10
Net interest expense	(326)	(513)
Other (expense) income, net	(46)	18
Total other expense, net	(372)	(495)
Pre-tax income	1,029	598
Income tax expense	52	7
Net income	\$ 977	\$ 591
Shares outstanding - Basic	3,352	3,363
Shares outstanding - Diluted	3,495	3,421
Earnings per share basic	\$ 0.29	\$ 0.18
Earnings per share diluted	0.28	0.17

ACME UNITED CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME  
YEAR END REPORT 2019 (cont.)  
(Unaudited)

Amounts in \$000's except per share data	Year Ended December 31, 2019	Year Ended December 31, 2018
Net sales	\$ 142,457	\$ 137,321
Cost of goods sold	90,456	86,672
Gross profit	52,001	50,649
Selling, general, and administrative expenses	43,572	43,192
Income from operations	8,429	7,457
Interest expense	(1,828)	(1,891)
Interest income	40	33
Net interest expense	(1,788)	(1,858)
Other expense, net	(98)	(68)
Total other expense, net	(1,886)	(1,926)
Pre-tax income	6,543	5,531
Income tax expense	1,030	933
Net income	\$ 5,513	\$ 4,598
Shares outstanding - Basic	3,352	3,371
Shares outstanding - Diluted	3,453	3,542
Earnings per share basic	\$ 1.65	1.36
Earnings per share diluted	1.60	1.30



ACME UNITED CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS  
YEAR END REPORT 2019  
(Unaudited)

Amounts in \$000's	December 31, 2019		December 31, 2018	
<b>Assets:</b>				
<b>Current assets:</b>				
Cash	\$	6,822	\$	4,409
Accounts receivable, net		25,485		25,102
Inventories		39,261		41,332
Prepaid and other current assets		1,578		2,149
<b>Total current assets</b>		<b>73,146</b>		<b>72,992</b>
Property and equipment, net		14,036		14,543
Intangible assets, less amortization		15,793		17,044
Goodwill		4,696		4,696
Operating lease right of use asset		2,989		-
Other assets		89		203
<b>Total assets</b>	<b>\$</b>	<b>110,749</b>	<b>\$</b>	<b>109,478</b>
<b>Liabilities and stockholders' equity:</b>				
<b>Current liabilities:</b>				
Accounts payable	\$	6,693	\$	7,983
Operating lease liability - short term		1,047		-
Mortgage payable - short term		267		267
Other current liabilities		8,626		5,115
<b>Total current liabilities</b>		<b>16,633</b>		<b>13,365</b>
<b>Non-current liabilities</b>				
Long term debt		33,240		40,283
Mortgage payable - long term		3,178		3,444
Operating lease liability - long term		1,961		-
Other non current liabilities		32		53
<b>Total liabilities</b>		<b>55,044</b>		<b>57,145</b>
<b>Total stockholders' equity</b>		<b>55,705</b>		<b>52,333</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$</b>	<b>110,749</b>	<b>\$</b>	<b>109,478</b>