

C H ROBINSON WORLDWIDE INC
Form 10-Q
November 09, 2015
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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 September 30, 2015

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: 000-23189

C.H. ROBINSON WORLDWIDE, INC.
(Exact name of registrant as specified in its charter)
Delaware
(State or other jurisdiction of incorporation or organization)

41-1883630
(I.R.S. Employer Identification No.)

14701 Charlson Road, Eden Prairie, Minnesota
(Address of principal executive offices)
952-937-8500

55347-5088
(Zip Code)

Registrant's telephone number, including area code

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

Large accelerated filer Accelerated filer

Non-accelerated filer 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

As of November 6, 2015, the number of shares outstanding of the registrant's Common Stock, par value \$.10 per share, was 143,624,857.

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ITEM 1. FINANCIAL STATEMENTSC.H. ROBINSON WORLDWIDE, INC.
Condensed Consolidated Balance Sheets
(unaudited)

(In thousands, except per share data)	September 30, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 143,087	\$ 128,940
Restricted cash	—	359,388
Receivables, net of allowance for doubtful accounts of \$45,952 and \$41,051	1,651,794	1,571,591
Deferred tax asset	16,057	7,746
Prepaid expenses and other	45,273	37,794
Total current assets	1,856,211	2,105,459
Property and equipment, net	190,244	152,471
Goodwill	1,097,740	825,038
Other intangible assets, net	126,353	98,330
Other assets	42,017	33,040
Total assets	\$3,312,565	\$3,214,338
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	\$ 799,307	\$ 716,654
Outstanding checks	60,885	78,601
Accrued expenses:		
Compensation and profit-sharing contribution	124,011	125,624
Income taxes	21,215	4,616
Other accrued liabilities	45,841	45,365
Current portion of debt	530,000	605,000
Total current liabilities	1,581,259	1,575,860
Long-term debt	500,000	500,000
Noncurrent income taxes payable	23,588	24,279
Deferred tax liabilities	76,144	66,961
Other long term liabilities	211	223
Total liabilities	2,181,202	2,167,323
Stockholders' investment:		
Preferred stock, \$.10 par value, 20,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$.10 par value, 480,000 shares authorized; 178,510 and 178,621 shares issued, 144,108 and 146,458 outstanding	14,411	14,646
Additional paid-in capital	365,524	321,968
Retained earnings	2,860,204	2,648,539
Accumulated other comprehensive loss	(44,073) (28,610)
Treasury stock at cost (34,402 and 32,163 shares)	(2,064,703) (1,909,528)
Total stockholders' investment	1,131,363	1,047,015

Total liabilities and stockholders' investment	\$3,312,565	\$3,214,338
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See accompanying notes to the condensed consolidated financial statements.

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C.H. ROBINSON WORLDWIDE, INC.

Condensed Consolidated Statements of Operations and Comprehensive Income
(unaudited)

	Three Months Ended September		Nine Months Ended September	
	30,		30,	
(In thousands, except per share data)	2015	2014	2015	2014
Revenues:				
Transportation	\$3,044,500	\$3,073,382	\$9,122,479	\$8,922,261
Sourcing	374,753	393,980	1,142,752	1,190,604
Total revenues	3,419,253	3,467,362	10,265,231	10,112,865
Costs and expenses:				
Purchased transportation and related services	2,484,409	2,575,619	7,518,895	7,507,966
Purchased products sourced for resale	346,269	364,179	1,048,633	1,099,063
Personnel expenses	264,077	244,621	783,220	703,904
Other selling, general, and administrative expenses	91,787	79,606	270,752	241,242
Total costs and expenses	3,186,542	3,264,025	9,621,500	9,552,175
Income from operations	232,711	203,337	643,731	560,690
Interest and other expense	(6,559) (6,204		