

SONOCO PRODUCTS CO
Form 8-K
March 31, 2014

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 31, 2014

SONOCO PRODUCTS COMPANY

Commission File No. 001-11261

Incorporated under the laws
of South Carolina
1 N. Second St.
Hartsville, South Carolina 29550
Telephone: 843/383-7000

I.R.S. Employer Identification
No. 57-0248420

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))

Section 8 - Other Events

Item 8.01 Other Events.

Effective January 1, 2014, Sonoco Alloyd, the Company's retail security packaging component, became part of the Display and Packaging segment. It had previously been included in the Protective Solutions segment. This change reflects the evolving integration occurring between these businesses, enabling them to better leverage the Company's capabilities, products, and services in order to provide complete solutions to our retail merchandising customers.

To ensure comparability of 2014 quarterly segmental financial results with previous periods, the Company will recast prior year segmental results to conform to the current presentation. The following tables set forth quarterly financial information for 2013 and 2012 for each of the Company's business segments reflecting the move of Sonoco Alloyd from the Protective Solutions segment to the Display and Packaging segment:

Quarterly Reportable Segment Results (Unaudited)

(dollars in thousands)

| | 2013 | | | | Year to Date |
|---|------------------|-------------------|------------------|-------------------|--------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | |
| Net sales: | | | | | |
| Consumer Packaging | \$463,300 | \$475,013 | \$473,332 | \$481,888 | \$1,893,533 |
| Display and Packaging | 144,575 | 157,516 | 167,960 | 154,957 | 625,008 |
| Paper and Industrial Converted Products | 454,207 | 473,217 | 467,847 | 463,609 | 1,858,880 |
| Protective Solutions | 117,131 | 120,510 | 118,610 | 114,420 | 470,671 |
| Consolidated | \$1,179,213 | \$1,226,256 | \$1,227,749 | \$1,214,874 | \$4,848,092 |
| Intersegment sales: | | | | | |
| Consumer Packaging | \$1,359 | \$1,446 | \$978 | \$1,374 | \$5,157 |
| Display and Packaging | 655 | 519 | 445 | 349 | 1,968 |
| Paper and Industrial Converted Products | 23,455 | 25,017 | 26,320 | 25,090 | 99,882 |
| Protective Solutions | 673 | 727 | 621 | 586 | 2,607 |
| Consolidated | \$26,142 | \$27,709 | \$28,364 | \$27,399 | \$109,614 |
| Income before interest and income taxes: ¹ | | | | | |
| Segment operating profit: | | | | | |
| Consumer Packaging | \$42,340 | \$47,366 | \$49,025 | \$48,399 | \$187,130 |
| Display and Packaging | 3,503 | 6,071 | 7,763 | 3,469 | 20,806 |
| Paper and Industrial Converted Products | 31,004 | 35,991 | 37,722 | 33,377 | 138,094 |
| Protective Solutions | 9,724 | 11,376 | 11,029 | 7,955 | 40,084 |
| Restructuring/Asset impairment charges | (4,289) | (8,678) | (5,818) | (6,253) | (25,038) |
| Other, net | (866) | (88) | 563 | 610 | 219 |
| Consolidated operating profit | \$81,416 | \$92,038 | \$100,284 | \$87,557 | \$361,295 |

| | 2012 | | | | Year to Date |
|---|------------------|-------------------|------------------|-------------------|--------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | |
| Net sales: | | | | | |
| Consumer Packaging | \$495,766 | \$477,038 | \$475,946 | \$463,871 | \$1,912,621 |
| Display and Packaging | 142,126 | 135,329 | 150,315 | 153,412 | 581,182 |
| Paper and Industrial Converted Products | 463,610 | 475,460 | 453,605 | 448,152 | 1,840,827 |
| Protective Solutions | 110,868 | 114,532 | 115,664 | 110,435 | 451,499 |
| Consolidated | \$1,212,370 | \$1,202,359 | \$1,195,530 | \$1,175,870 | \$4,786,129 |
| Intersegment sales: | | | | | |
| Consumer Packaging | \$1,899 | \$2,214 | \$2,096 | \$1,284 | \$7,493 |
| Display and Packaging | 584 | 594 | 516 | 559 | 2,253 |
| Paper and Industrial Converted Products | 25,734 | 24,919 | 23,126 | 22,917 | 96,696 |
| Protective Solutions | 680 | 328 | 457 | 662 | 2,127 |
| Consolidated | \$28,897 | \$28,055 | \$26,195 | \$25,422 | \$108,569 |
| Income before interest and income taxes: ¹ | | | | | |
| Segment operating profit: | | | | | |
| Consumer Packaging | \$50,080 | \$42,752 | \$43,829 | \$40,107 | \$176,768 |
| Display and Packaging | 5,235 | 5,174 | 5,782 | 4,206 | 20,397 |
| Paper and Industrial Converted Products | 32,304 | 39,652 | 33,150 | 36,245 | 141,351 |
| Protective Solutions | 6,612 | 10,508 | 9,961 | 9,831 | 36,912 |
| Restructuring/Asset impairment charges | (15,212) | (9,396) | 444 | (8,694) | (32,858) |
| Other, net | (176) | (98) | 3,177 | 1,586 | 4,489 |
| Consolidated operating profit | \$78,843 | \$88,592 | \$96,343 | \$83,281 | \$347,059 |

¹ Segment results viewed by Company management to evaluate segment performance do not include restructuring charges, asset impairment charges, acquisition-related charges, interest expense, income taxes, or certain other items, if any, the exclusion of which the Company believes improves comparability and analysis. Accordingly, segment operating profit, also referred to as consolidated operating profit, is defined as the segment's portion of "Income before interest and income taxes," excluding such items.

See Note 16 to the Company's 2013 Annual Report on Form 10-K for more information on reportable segments.

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.

SONOCO PRODUCTS COMPANY

Date: March 31, 2014

By: /s/ Barry L. Saunders
Barry L. Saunders
Vice President and Chief Financial Officer