

Johnson Outdoors

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Johnson Outdoors' fishing business holds up in 'seasonally slow' fourth quarter

Outdoor recreation equipment specialist Johnson Outdoors (NASDAQ:JOUT) said the success of its fishing and diving equipment division offset the seasonally slow fiscal fourth quarter.

The Racine, Wisconsin-based outdoor gear company enjoyed revenue growth for its Minn Kota, Humminbird, Scubapro, Jetboil and Eureka product lines, which lifted group sales for fiscal 2018 by 11% to \$544.3 million from \$490.6 million the year before.

However, Kayak market declines across all channels negatively impacted watercraft recreation revenue.

Fishing and diving brands propelled an 11% increase in sales as operating profit grew 38% and net income rose 16% over the prior fiscal year.

"Unprecedented growth in our flagship fishing business has driven record results two years in a row. Our goal is consistent bigger, better new product success like this across our entire brand portfolio," **Johnson Outdoors** CEO Helen Johnson-Leipold said in a statement.

"Going forward, our ability to connect with more consumers in new, more meaningful ways will enable us to fully leverage investments in digital transformation, marketing sophistication and ecommerce to enhance performance in all segments," she added.

Due to the seasonality of warm weather outdoor recreation equipment industry, the company's fourth quarter reflected industry-wide slowing of sales and production. For the quarter ended September 2018, the company reported a loss of \$2 million, or \$0.49 per share on revenue of \$91.1 million, primarily due to seasonality and "digital investments."

The consensus estimate was a loss of \$0.05 per share on revenue of \$94.9 million. Revenue fell 0.7% compared to the same quarter a year ago.

Johnson Outdoors is engaged in the design, manufacture and marketing of brand name outdoor equipment, diving, watercraft and marine electronics products.

Shares in Johnson Outdoor toppled nearly 19% to \$55.71.

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Price: 92.73

Market Cap: \$934.96 m

1 Year Share Price Graph



Share Information

Code: JOUT

Listing: NASDAQ

52 week High Low
93.19 49.38

Sector: Retail

Website: www.johnsonoutdoors.com

Company Synopsis:

Innovation and disciplined financial management curb effects of long, harsh winter. Strong market momentum of new products in the second half of fiscal 2014 nearly offset the declines Johnson Outdoors experienced due to extreme weather in the year's first six months. Total company net sales were \$425.4 million versus \$426.5 million in fiscal 2013.

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