

ROCKY BRANDS, INC.
Form 10-Q
April 25, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

OR

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: **001-34382**

ROCKY BRANDS, INC.

(Exact name of registrant as specified in its charter)

Ohio 31-1364046
(State or Other Jurisdiction of (I.R.S. Employer
Incorporation or Organization) Identification No.)

39 E. Canal Street, Nelsonville, Ohio 45764

(Address of Principal Executive Offices, Including Zip Code)

(740) 753-1951

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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 x NO "

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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 x No "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the 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 x Non-accelerated filer " Smaller reporting company "
(Do not check if a 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 x

As of April 20, 2012, 7,503,568 shares of Rocky Brands, Inc. common stock, no par value, were outstanding.

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ROCKY BRANDS, INC.

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PART I - FINANCIAL INFORMATION**ITEM 1 - FINANCIAL STATEMENTS****ROCKY BRANDS, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, 2012 (Unaudited)	December 31, 2011	March 31, 2011 (Unaudited)
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	\$2,424,864	\$3,650,291	\$2,230,661
Trade receivables – net	38,587,112	45,008,793	37,459,868
Other receivables	783,349	946,686	1,010,981
Inventories	64,113,346	65,019,048	61,654,840
Income tax receivable	947,575	1,164,664	260,555
Deferred income taxes	1,154,040	1,154,040	1,218,101
Prepaid expenses	2,842,105	2,561,941	3,033,002
Total current assets	110,852,391	119,505,463	106,868,008
FIXED ASSETS – net	24,572,535	23,557,102	22,631,554
IDENTIFIED INTANGIBLES	30,498,545	30,493,107	30,512,025
OTHER ASSETS	468,692	510,293	1,548,308
TOTAL ASSETS	\$166,392,163	\$174,065,965	\$161,559,895
LIABILITIES AND SHAREHOLDERS' EQUITY:			
CURRENT LIABILITIES:			
Accounts payable	\$12,643,640	\$5,696,363	\$10,368,817
Current maturities – long term debt	-	-	463,749
Accrued expenses:			
Salaries and wages	765,143	2,310,906	961,408
Taxes - other	481,847	609,992	554,680
Accrued freight	463,325	633,254	729,659
Commissions	490,331	709,201	596,293
Current portion of pension funding	-	-	680,000
Other	1,056,597	970,806	1,499,918
Total current liabilities	15,900,883	10,930,522	15,854,524

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LONG TERM DEBT – less current maturities	21,512,650	35,000,000	27,300,087
DEFERRED INCOME TAXES	10,987,395	10,987,395	9,374,685
DEFERRED PENSION LIABILITY	-	-	2,738,374
DEFERRED LIABILITIES	488,437	488,437	179,560
TOTAL LIABILITIES	48,889,365	57,406,354	55,447,230

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS' EQUITY:

Common stock, no par value;

25,000,000 shares authorized; issued and outstanding March 31, 2012

- 7,503,568; December 31, 2011 - 7,489,995 and March 31, 2011 -

7,489,995

69,694,770 69,572,270 69,546,028

Accumulated other comprehensive los