

NIKE INC

FORM 8-K (Current report filing)

Filed 07/27/99 for the Period Ending 07/02/99

Address	ONE BOWERMAN DR BEAVERTON, OR 97005-6453
Telephone	5036713173
CIK	0000320187
Symbol	NKE
SIC Code	3021 - Rubber and Plastics Footwear
Industry	Footwear
Sector	Consumer Cyclical
Fiscal Year	05/31

NIKE INC

FORM 8-K (Unscheduled Material Events)

Filed 7/27/1999 For Period Ending 7/2/1999

Address	ONE BOWERMAN DR BEAVERTON, Oregon 97005-6453
Telephone	503-671-3173
CIK	0000320187
Industry	Footwear
Sector	Consumer Cyclical
Fiscal Year	05/31

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) July 2, 1999

NIKE, INC.

(Exact name of registrant as specified in its charter)

Oregon
(State of incorporation)

1-10635
(Commission File
Number)

93-0584541
(IRS Employer
Identification No.)

One Bowerman Drive, Beaverton, Oregon 97005-6453
(Address of principal executive offices) (Zip Code)

(503) 671-6453
(Registrant's telephone number, including area code)

Item 5. OTHER EVENTS

On July 2, 1999 the registrant and certain of its affiliates executed a series of agreements with Nissho Iwai Corporation ("NIC"), certain NIC affiliates, and other parties under which (1) NIKE Logistics Y.K., an indirect, wholly owned subsidiary of the registrant ("NLYK"), agreed to purchase from NIC a distribution center currently under construction near Tokyo, Japan; (2) various affiliates of the registrant agreed to continue to engage NIC and its affiliates, until May 31, 2001, to provide buying agency and logistics services in connection with the importation of NIKE brand products into various countries around the world; and (3) the registrant made certain commitments as to aggregate commissions that are to be payable by the registrant's affiliates to NIC and its affiliates over the term of the buying agency and logistics services agreements.

The Japan distribution center purchase, which was completed on July 12, 1999, increased the registrant's consolidated property, plant and equipment by approximately 24,500,000,000 Japanese Yen (approximately \$210,000,000). NLYK assumed certain long term debt obligations of NIC, increasing the registrant's consolidated long term debt by 13,000,000,000 Japanese Yen (approximately \$111,000,000). The remainder of the purchase price for the Japan distribution center was financed by short term borrowings.

The buying agency and logistics services agreements contain terms and conditions that are substantially different from the agreements in effect prior to July 2, 1999. Prospectively, the registrant's consolidated balance sheet will reflect the registrant's affiliates' legal ownership of goods in transit to the United States from the countries in which the goods were produced by independent factories. If the registrant had recognized in transit inventory for the United States as of May 31, 1999, the registrant's consolidated inventories and current liabilities would have increased by approximately \$164,000,000.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NIKE, Inc.
(Registrant)

Date: July 27, 1999

By /s/ Robert E. Harold
Chief Financial Officer

End of Filing

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