

BlueLinx Holdings Inc.
Form 4
June 09, 2014

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
McKagen Robert

(Last) (First) (Middle)

4300 WILDWOOD PARKWAY

(Street)

ATLANTA, GA 30339

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
BlueLinx Holdings Inc. [BXC]

3. Date of Earliest Transaction
(Month/Day/Year)

06/05/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
____ Officer (give title below) _____ Other (specify below)

SVP, SALES

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price (A) or (D)		
Common Stock	06/05/2014		A		27,724 (1) \$ 0 (1)	434,867 (2)	D
Common Stock	06/05/2014		F		8,997 (3) \$ 1.28	425,870 (2)	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price or Value of Underlying Securities (Instr. 3 and 4)
Stock Options (right to buy)	\$ 14.01					Date Exercisable: 01/03/2010 Expiration Date: 01/05/2016	Common Stock	Amount or Number of Shares: 9,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
McKagen Robert 4300 WILDWOOD PARKWAY ATLANTA, GA 30339			SVP, SALES	

Signatures

/s/ Sara E. Epstein,
Attorney-in-Fact

06/09/2014

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares awarded on waiver of performance targets under Performance Share Awards granted June 5, 2013.
- (2) Certain of these shares of common stock are subject to vesting based upon the passage of time.
- (3) Shares withheld to cover applicable tax obligations.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. op:1.00px solid #000000">

Total Operating Expenses

50 76,655 1,286,582 (4,106) 1,359,181

Operating Loss

(50) (76,652) (151,235) (227,937)

Explanation of Responses:

Other (Expense) Income:

Interest expense

(31,626) (67,641) (99,267)

Gains on early extinguishment of debt

18,061 18,061

Loss and impairment from equity investee

(7,928) (7,928)

Other income

771 2,281 3,052

Equity in net earnings of subsidiary

(212,094) (115,690) 327,784

Explanation of Responses:

Total Other Expense

(225,659) (182,560) (5,647) 327,784 (86,082)

Loss Before Income Taxes

(225,709) (259,212) (156,882) 327,784 (314,019)

Income Tax Benefit

(4,318) (47,118) (41,192) (92,628)

Net Loss

Explanation of Responses:

\$(221,391) \$(212,094) \$(115,690) \$327,784 \$(221,391)

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SEVENTY SEVEN ENERGY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2014

(in thousands)

	Parent	Subsidiary Issuer	Guarantor Subsidiaries	Eliminations	Consolidated
Revenues:					
Revenues	\$	\$ 3,531	\$ 2,080,812	\$ (3,451)	\$ 2,080,892
Operating Expenses:					
Operating costs		4,652	1,580,974	(5,273)	1,580,353
Depreciation and amortization		218	292,694		292,912
General and administrative	166	78,175	29,798		108,139
Losses (gains) on sales of property and equipment, net		6	(6,278)		(6,272)
Impairments and other			30,764		30,764
Total Operating Expenses	166	83,051	1,927,952	(5,273)	2,005,896
Operating (Loss) Income	(166)	(79,520)	152,860	1,822	74,996
Other (Expense) Income:					
Interest expense	(17,168)	(62,566)			(79,734)
Loss and impairment from equity investee			(6,094)		(6,094)
Other (expense) income		(216)	880		664
Equity in net earnings of subsidiary	2,656	90,446		(93,102)	
Total Other (Expense) Income	(14,512)	27,664	(5,214)	(93,102)	(85,164)
(Loss) Income Before Income Taxes					
	(14,678)	(51,856)	147,646	(91,280)	(10,168)
Income Tax (Benefit) Expense	(6,699)	(53,382)	57,200	692	(2,189)
Net (Loss) Income	\$ (7,979)	\$ 1,526	\$ 90,446	\$ (91,972)	\$ (7,979)

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SEVENTY SEVEN ENERGY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2013

(in thousands)

	Parent	Subsidiary Issuer	Guarantor Subsidiaries	Eliminations	Consolidated
Revenues:					
Revenues	\$	\$ 8,011	\$ 2,187,966	\$ (7,772)	\$ 2,188,205
Operating Expenses:					
Operating costs		9,513	1,717,235	(9,039)	1,717,709
Depreciation and amortization		27	289,564		289,591
General and administrative		20,506	59,848		80,354
Gains on sales of property and equipment, net			(2,629)		(2,629)
Impairments and other			74,762		74,762
Total Operating Expenses		30,046	2,138,780	(9,039)	2,159,787
Operating (Loss) Income		(22,035)	49,186	1,267	28,418
Other (Expense) Income:					
Interest expense		(56,786)			(56,786)
Loss from equity investees			(958)		(958)
Other income			1,758		1,758
Equity in net earnings of subsidiary	(18,948)	29,334		(10,386)	
Total Other (Expense) Income	(18,948)	(27,452)	800	(10,386)	(55,986)
(Loss) Income Before Income Taxes	(18,948)	(49,487)	49,986	(9,119)	(27,568)
Income Tax Expense (Benefit)	787	(29,752)	21,439	(307)	(7,833)
Net (Loss) Income	\$ (19,735)	\$ (19,735)	\$ 28,547	\$ (8,812)	\$ (19,735)

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SEVENTY SEVEN ENERGY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2015

(in thousands)

	Parent	Subsidiary Issuer	Guarantor Subsidiaries	Eliminations	Consolidated
Cash Flows From Operating Activities:	\$ (34,133)	\$ 155,945	\$ 506,502	\$ (344,208)	\$ 284,106
Cash Flows From Investing Activities:					
Additions to property and equipment		(11,668)	(194,038)		(205,706)
Proceeds from sale of assets		(624)	28,319		27,695
Proceeds from sale of a business		15,000			15,000
Additions to investments			(113)		(113)
Distributions from affiliates	65,407			(65,407)	
Other			3,457		3,457
Net cash provided by (used in) investing activities	65,407	2,708	(162,375)	(65,407)	(159,667)
Cash Flows From Financing Activities:					
Borrowings from revolving credit facility		160,100			160,100
Payments on revolving credit facility		(210,600)			(210,600)
Payments to extinguish senior notes	(31,305)				(31,305)
Proceeds from issuance of term loan, net of issuance costs		94,481			94,481
Payments on term loans		(4,750)			(4,750)
Deferred financing costs		(784)			(784)
Contributions to (distributions from) affiliates		(65,407)	(344,208)	409,615	
Other		(1,824)			(1,824)
Net cash used in financing activities	(31,305)	(28,784)	(344,208)	409,615	5,318
Net (decrease) increase in cash	(31)	129,869	(81)		129,757

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Cash, beginning of period	77	733	81	891
Cash, end of period	\$ 46	\$ 130,602	\$	\$ 130,648

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SEVENTY SEVEN ENERGY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2014

(in thousands)

	Parent	Subsidiary Issuer	Guarantor Subsidiaries	Eliminations	Consolidated
Cash Flows From Operating Activities:	\$ 53,039	\$ (59,411)	\$ 363,855	\$ (92,187)	\$ 265,296
Cash Flows From Investing Activities:					
Additions to property and equipment		(17,888)	(439,730)		(457,618)
Proceeds from sale of assets			88,556		88,556
Additions to investments			(675)		(675)
Contributions to affiliates	(119,711)	(38,218)		157,929	
Other			2,091		2,091
Cash used in investing activities	(119,711)	(56,106)	(349,758)	157,929	(367,646)
Cash Flows From Financing Activities:					
Borrowings from revolving credit facility		1,201,400			1,201,400
Payments on revolving credit facility		(1,555,900)			(1,555,900)
Proceeds from issuance of senior notes, net of offering costs	493,825				493,825
Proceeds from issuance of term loan, net of issuance costs		393,879			393,879
Payments on term loan		(2,000)			(2,000)
Deferred financing costs	(1,032)	(2,565)			(3,597)
Distributions to CHK	(422,839)				(422,839)
Contributions from (distributions to) affiliates		79,823	(14,081)	(65,742)	
Other	(3,205)				(3,205)
Net cash provided by (used in) financing activities	66,749	114,637	(14,081)	(65,742)	101,563

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Net increase (decrease) in cash	77	(880)	16	(787)
Cash, beginning of period		1,613	65	1,678
Cash, end of period	\$ 77	\$ 733	\$ 81	\$ 891

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SEVENTY SEVEN ENERGY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2013

(in thousands)

	Parent	Subsidiary Issuer	Guarantor Subsidiaries	Eliminations	Consolidated
Cash Flows From Operating Activities:	\$	\$ 13,766	\$ 404,170	\$ (80,865)	\$ 337,071
Cash Flows From Investing Activities:					
Additions to property and equipment		(3,103)	(346,703)		(349,806)
Proceeds from sale of assets			50,602		50,602
Proceeds from sale of investment			2,790		2,790
Additions to investments			(431)		(431)
Other			28		28
Cash used in investing activities		(3,103)	(293,714)		(296,817)
Cash Flows From Financing Activities:					
Borrowings from revolving credit facility		1,216,900			1,216,900
Payments on revolving credit facility		(1,230,100)			(1,230,100)
Distributions to affiliates			(110,755)	80,865	(29,890)
Other		3,287			3,287
Net cash used in financing activities		(9,913)	(110,755)	80,865	(39,803)
Net increase (decrease) in cash		750	(299)		451
Cash, beginning of period		863	364		1,227
Cash, end of period	\$	\$ 1,613	\$ 65	\$	\$ 1,678

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Summarized unaudited quarterly financial data for 2015 and 2014 are as follows:

	Quarters Ended			
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015
	(in thousands)			
Revenues	\$ 429,787	\$ 295,128	\$ 213,541	\$ 192,788
Operating loss(a)	\$ (31,193)	\$ (104,645)	\$ (46,281)	\$ (45,818)
Net loss(a)	\$ (37,601)	\$ (74,670)	\$ (48,530)	\$ (60,590)
Loss per share(d):				
Basic	\$ (0.78)	\$ (1.51)	\$ (0.95)	\$ (1.18)
Diluted	\$ (0.78)	\$ (1.51)	\$ (0.95)	\$ (1.18)

	Quarters Ended			
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014
	(in thousands)			
Revenues	\$ 509,710	\$ 549,466	\$ 526,773	\$ 494,943
Operating (loss) income(b)	\$ (14,016)	\$ 57,475	\$ 19,852	\$ 11,685
Net (loss) income(b)	\$ (18,557)	\$ 21,710	\$ (1,770)	\$ (9,362)
(Loss) earnings per share(c)(d):				
Basic	\$ (0.40)	\$ 0.46	\$ (0.04)	\$ (0.20)
Diluted	\$ (0.40)	\$ 0.46	\$ (0.04)	\$ (0.20)

- (a) Includes \$35.0 million of loss on sale of a business for the quarter ended June 30, 2015, \$27.4 million of impairment of goodwill for the quarter ended December 31, 2015 and \$1.9 million, \$1.6 million, \$8.8 million and \$6.3 million of impairments and other for the quarters ended December 31, 2015, September 30, 2015, June 30, 2015 and March 31, 2015, respectively.
- (b) Includes a non-recurring credit of \$10.5 million for the quarter ended June 30, 2014 as a result of the cancellation of the unvested CHK restricted stock and stock option awards and \$7.8 million, \$3.2 million and \$19.8 million of impairments and other for the quarters ended September 30, 2014, June 30, 2014 and March 31, 2014, respectively.
- (c) On June 30, 2014 we distributed 46,932,433 shares of our common stock to CHK shareholders in conjunction with the spin-off. For comparative purposes, and to provide a more meaningful calculation for weighted average shares, we have assumed this amount to be outstanding for periods prior to the spin-off.
- (d) The sum of quarterly net income per share may not agree to the total for the year as each period's computation is based on the weighted average number of common shares outstanding during each period.

18. Recently Issued and Proposed Accounting Standards

Recently Issued Accounting Standards

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes*, which simplifies the presentation of deferred income taxes by requiring deferred tax liabilities and assets be classified as noncurrent in the balance sheet. ASU 2015-17 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016, with early adoption permitted. We do not expect the adoption of this guidance to have a material effect on our consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*, which changes inventory measured using any method other than LIFO or the retail inventory method

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SEVENTY SEVEN ENERGY INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(for example, inventory measured using first-in, first-out (FIFO) or average cost) at the lower of cost and net realizable value. ASU 2015-11 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016, with early adoption permitted. We do not expect the adoption of this guidance to have a material effect on our consolidated financial statements.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements Going Concern*, which requires management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued when applicable). ASU 2014-15 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016, with early application permitted. We do not expect the adoption of this guidance to have a material effect on our consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which supersedes the revenue recognition requirements in *Revenue Recognition (Topic 605)* and requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. In August 2015, the FASB deferred the effective date of ASU No. 2014-09 to annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period; the FASB also provided for early adoption for annual reporting periods beginning after December 15, 2016. We are currently evaluating what impact this standard will have on our consolidated financial statement.

Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Table of Contents**Unaudited Condensed Consolidated Financial Statements and Supplementary Data of SSE****SEVENTY SEVEN ENERGY INC.****(Debtor-in-possession June 7, 2016 through July 31, 2016)****Condensed Consolidated Balance Sheets (unaudited)****(in thousands, except share amounts)**

	Successor As of September 30, 2016	Predecessor As of December 31, 2015
Assets:		
Current Assets:		
Cash	\$ 23,004	\$ 130,648
Accounts receivable, net of allowance of \$47 and \$3,680 at September 30, 2016 and December 31, 2015, respectively	109,328	164,721
Inventory	11,303	18,553
Deferred income tax asset		1,499
Prepaid expenses and other	14,547	17,141
Total Current Assets	158,182	332,562
Property and Equipment:		
Property and equipment, at cost	812,611	2,646,446
Less: accumulated depreciation	(29,566)	(1,116,026)
Property and equipment held for sale, net	8,418	
Total Property and Equipment, Net	791,463	1,530,420
Other Assets:		
Deferred financing costs	1,194	1,238
Other long-term assets	22,114	38,398
Total Other Assets	23,308	39,636
Total Assets	\$ 972,953	\$ 1,902,618
Liabilities and Stockholders Equity:		
Current Liabilities:		
Accounts payable	\$ 19,228	\$ 53,767
Current portion of long-term debt	5,000	5,000
Other current liabilities	45,043	98,318

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Total Current Liabilities	69,271	157,085
Long-Term Liabilities:		
Deferred income tax liabilities		60,623
Long-term debt, excluding current maturities	423,347	1,564,592
Other long-term liabilities	1,875	1,478
Total Long-Term Liabilities	425,222	1,626,693
Commitments and Contingencies (Note 13)		
Stockholders' Equity:		
Predecessor common stock, \$0.01 par value: authorized 250,000,000 shares; issued and outstanding 59,397,831 shares at December 31, 2015		594
Predecessor paid-in capital		350,770
Successor preferred stock, \$0.01 par value: authorized 10,000,000 shares; zero outstanding at September 30, 2016		
Successor common stock, \$0.01 par value: authorized 90,000,000 shares; issued and outstanding 22,280,349 shares at September 30, 2016	223	
Successor paid-in capital	514,765	
Accumulated deficit	(36,528)	(232,524)
Total Stockholders' Equity	478,460	118,840
Total Liabilities and Stockholders' Equity	\$ 972,953	\$ 1,902,618

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	Successor Two Months Ended September 30, 2016	Predecessor One Month Ended July 31, 2016	Three Months Ended September 30, 2015
Revenues:			
Revenues	\$ 79,656	\$ 40,438	\$ 213,541
Operating Expenses:			
Operating costs	63,628	33,835	160,889
Depreciation and amortization	31,208	22,902	68,854
General and administrative	16,601	4,688	26,709
(Gains) losses on sales of property and equipment, net	(798)	285	1,804
Impairments and other		22	1,566
Total Operating Expenses	110,639	61,732	259,822
Operating Loss	(30,983)	(21,294)	(46,281)
Other (Expense) Income:			
Interest expense	(6,185)	(2,374)	(25,480)
Gains on early extinguishment of debt			4,975
Loss from equity investee			(230)
Other income	886	391	942
Reorganization items, net	(246)	(16,465)	
Total Other Expense	(5,545)	(18,448)	(19,793)
Loss Before Income Taxes	(36,528)	(39,742)	(66,074)