

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934Date of Report: May 9, 2019
(Date of earliest event reported)

HERMAN MILLER, INC.

(Exact name of registrant as specified in its charter)

Michigan
(State or Other Jurisdiction of
incorporation)001-15141
(Commission File No.)38-0837640
(IRS Employer
Identification no.)855 East Main Avenue
Zeeland, Michigan
(Address of Principal Executive Offices)49464
(Zip Code)

(616) 654-3000

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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 (see General Instruction A.2. below):

- ☐ 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company ☐If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	MLHR	NASDAQ-Global Select Market System

Item 7.01. Regulation FD Disclosure

The Company will webcast its New York investor event on Thursday, May 9, 2019 beginning at 9:00 a.m. ET. The event will be webcast with streaming audio at <http://investors.hermanmiller.com/events-and-presentations> on the Herman Miller investor website. An archived copy will be available on Herman Miller's website shortly following the call.

The presentation materials are attached as Exhibit 99.1 and will also be available on the investor relations page of the Company's corporate website at www.hermanmiller.com.

The information in this Current Report on Form 8-K shall not be deemed filed for purposes of Section 18 of the Securities Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits

Exhibit 99.1 [Herman Miller, Inc.'s Slide Presentation for the May 9, 2019 New York Investor Event.](#)

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 thereunto duly authorized.

Dated: May 9, 2019

HERMAN MILLER, INC.

(Registrant)

/s/ Kevin J. Veltman

By: Kevin J. Veltman

Vice President of Investor Relations & Treasurer
(Duly Authorized Signatory for Registrant)

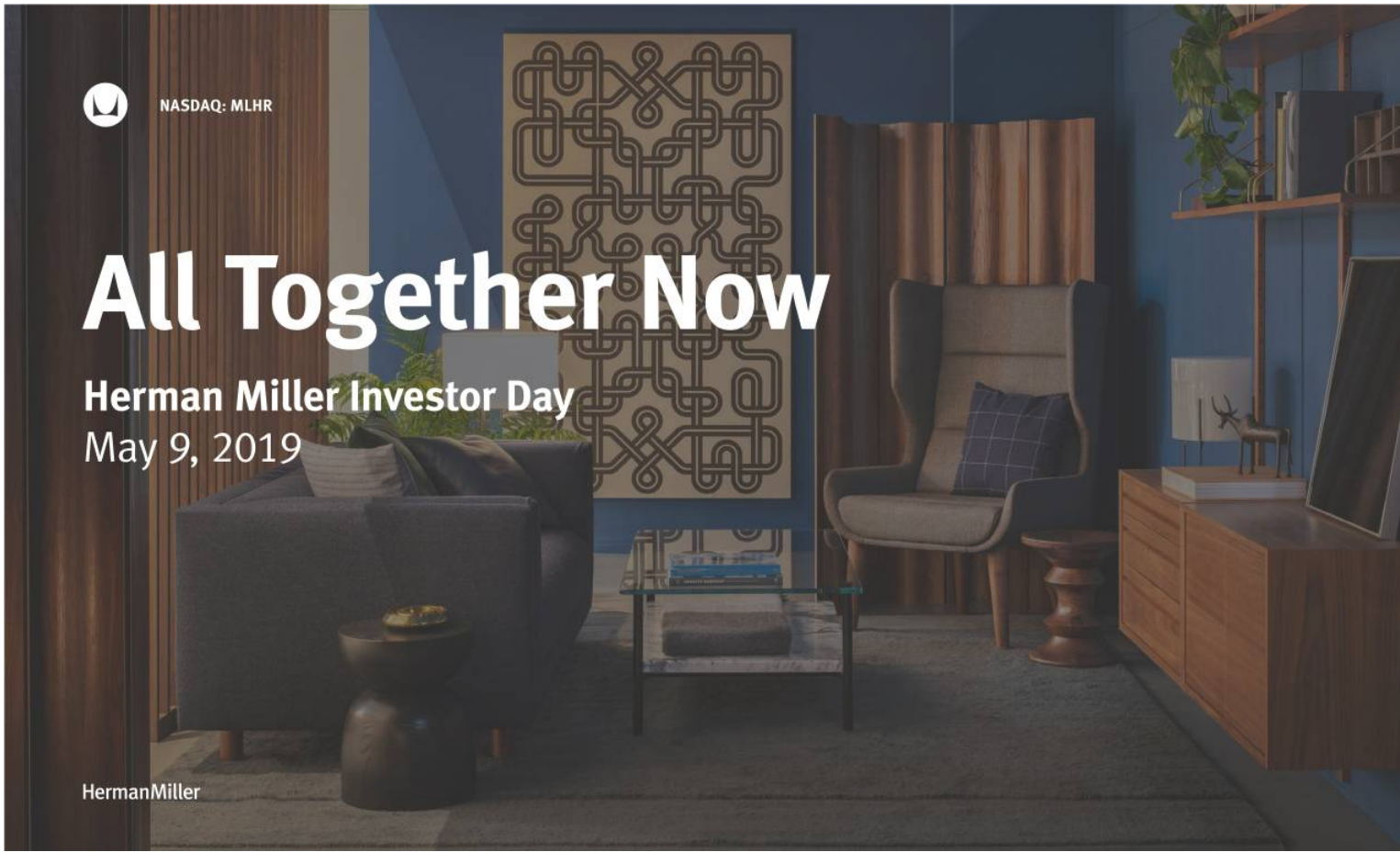


NASDAQ: MLHR

All Together Now

Herman Miller Investor Day
May 9, 2019

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FORWARD LOOKING STATEMENTS

This information contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act, as amended, that are based on management's beliefs, assumptions, current expectations, estimates, and projections about the office furniture industry, the economy, and the company itself. Words like "anticipates," "believes," "confident," "estimates," "expects," "forecasts," "likely," "plans," "projects," "should," variations of such words, and similar expressions identify such forward-looking statements.

These statements do not guarantee future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict with regard to timing, extent, likelihood, and degree of occurrence. These risks include, without limitation, the success of our growth strategy, our success in initiatives aimed at achieving long-term profit optimization goals, employment and general economic conditions, the pace of economic recovery in the U.S. and in our International markets, the increase in white-collar employment, the willingness of customers to undertake capital expenditures, the types of products purchased by customers, competitive-pricing pressures, the availability and pricing of raw materials, changes in global tariff regulations, our reliance on a limited number of suppliers, our ability to expand globally given the risks associated with regulatory and legal compliance challenges and accompanying currency fluctuations, changes in future tax legislation or interpretation of current tax legislation, the ability to increase prices to absorb the additional costs of raw materials, the financial strength of our dealers and the financial strength of our customers, our ability to locate new retail studios, negotiate favorable lease terms for new and existing locations and implement our studio

portfolio transformation, our ability to attract and retain key executives and other qualified employees, our ability to continue to make product innovations, the success of newly introduced products, our ability to serve all of our markets, possible acquisitions, divestitures or alliances, our ability to integrate and benefit from acquisitions and investments, the pace and level of government procurement, the outcome of pending litigation or governmental audits or investigations, political risk in the markets we serve, and other risks identified in our filings with the Securities and Exchange Commission.

Therefore, actual results and outcomes may materially differ from what we express or forecast. Furthermore, Herman Miller, Inc. undertakes no obligation to update, amend or clarify forward-looking statements.

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► **Company Snapshot**

Foundational Insights

Strategic Priorities

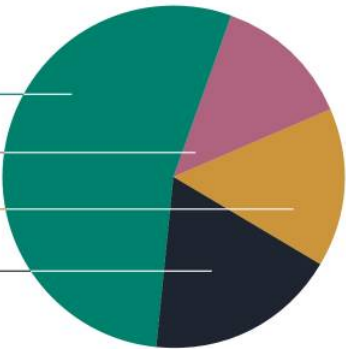
Financial Outlook

Headquarters:
Zeeland, MI, USA
Founded: **1905**
Employees: **~8,000**

FY18 Revenue: **\$2.38B**
FY18 Adj. Operating
Income: **\$197M**

FY18 REVENUE MIX

North America 54%
Specialty 13%
Retail 15%
International 18%



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**Omni-Channel
distribution model**

- Over 600 contract dealers in 109 countries
- 37 retail studios
- Multiple global e-commerce storefronts



**Broad product library
across Herman Miller
Group of Brands**



Company Snapshot

▶ **Foundational Insights**

Strategic Priorities

Financial Outlook





DIGITAL
DISRUPTION



RISE OF DIRECT-TO-CONSUMER
BUSINESS MODELS



GROWING OPPORTUNITY IN GLOBAL
MARKETS & RETAIL BUSINESSES



MATURE NA
CONTRACT MARKET



CHANGES IN WHERE
& HOW PEOPLE WORK



TSI IMPERATIVE



Company Snapshot

Foundational Insights

► **Strategic Priorities**

Financial Outlook

Our strategy is centered around four strategic priorities

1

UNLOCK THE POWER OF
ONE HERMAN MILLER

2

BUILD A CUSTOMER-
CENTRIC, DIGITALLY-ENABLED
BUSINESS MODEL

3

ACCELERATE
PROFITABLE GROWTH

4

REINFORCE OUR COMMITMENT
TO OUR PEOPLE, OUR PLANET
& OUR COMMUNITIES

1 UNLOCK THE POWER OF *ONE HERMAN MILLER*

OBJECTIVES:

**Build an agile,
collaborative,
globally-connected
organization fit for
continuous evolution**

**Simplify and tailor our
go-to-market approach**

**Continue to lead in
Product Innovation
across all businesses**

Objective: Build an agile, collaborative, globally-connected organization fit for continuous evolution



Making structural changes that take us from:

WORKING WITHIN SILOS
DUPLICATION OF WORK
REGIONAL CONNECTIVITY
STRUCTURE THAT IS STATIC
TOP-DOWN DECISION MAKING



To:

COLLABORATION
FEWER REDUNDANT EFFORTS
GLOBAL CONNECTIVITY
STRUCTURE THAT ADAPTS AS MARKET REALITIES EVOLVE
CLEAR DECISION RIGHTS THAT ENABLE SPEED & ACCOUNTABILITY

Objective: Simplify and tailor our go-to-market approach



From

NORTH AMERICA (LEGACY)

OFFICE

HEALTHCARE

EDUCATION



SPECIALTY

GEIGER

NEMSCHOFF

COLLECTION

MAHARAM



To

NORTH AMERICA (NEW STRUCTURE*)

OFFICE

HEALTHCARE

EDUCATION

GEIGER

NEMSCHOFF

COLLECTION

MAHARAM

*The Company is in the process of evaluating the impact of this change on its reportable operating segments and goodwill reporting units.

Objective: Simplify and tailor our go-to-market approach

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A leading provider of problem-solving furnishings, technologies, and services for the office and the home



colebrook
bosson
saunders

A designer and manufacturer of high-performance monitor arms, lighting, and accessories



A purveyor of the world's largest collection of authentic modern furniture

GEIGER

A maker of exquisitely crafted, timeless designs for refined working environments

HAY

An international leader in authored accessories and furniture for the home, office, and hospitality

maars LIVING WALLS®

A worldwide leader in the design and manufacture of interior partition walls

maharam

A prominent creator of textiles known for its rigorous commitment to design

naughtone

A leader in contemporary furnishings for workplace, institutional, and hospitality environments

Nemschoff

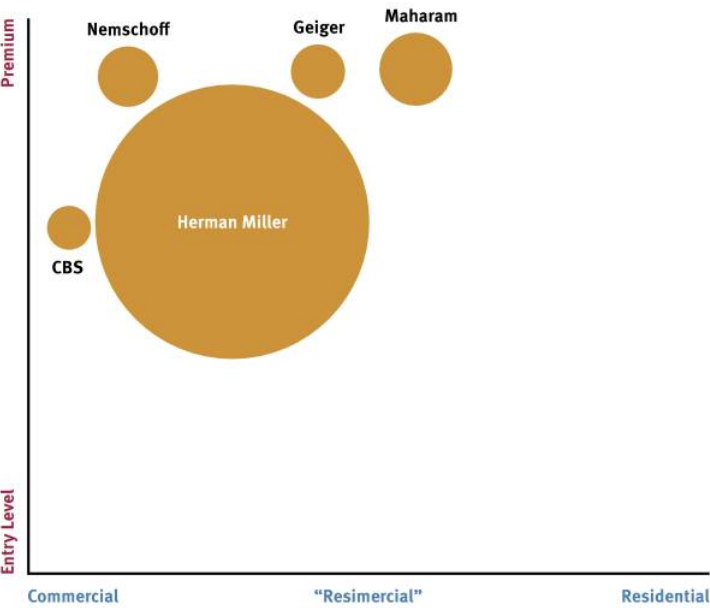
A chief manufacturer of beautifully styled, highly engineered performance furnishings

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Objective: Continue to lead in Product Innovation across all businesses

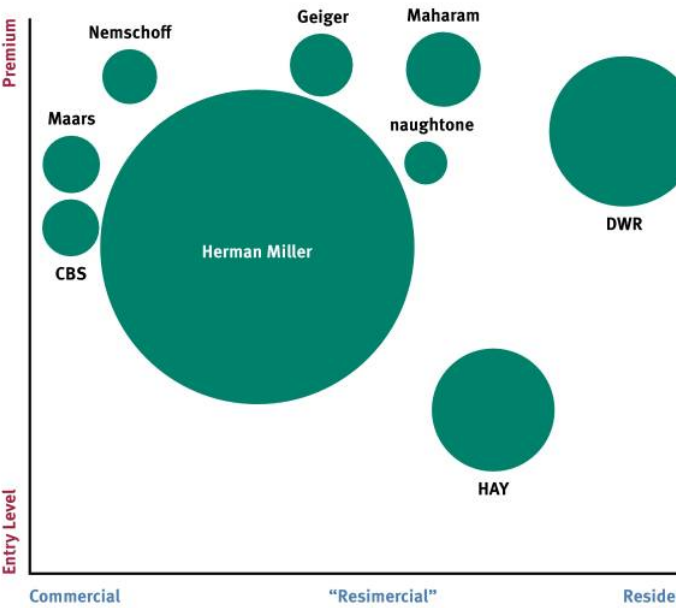
Our Evolving Product Offer

FIVE YEARS AGO



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TODAY



STRATEGIC PRIORITIES: UNLOCK THE POWER OF ONE HERMAN MILLER

All Together Now – Salone del Mobile, Milan



HermanMiller

STRATEGIC PRIORITIES: UNLOCK THE POWER OF ONE HERMAN MILLER

All Together Now – Salone del Mobile, Milan



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2 BUILD A CUSTOMER-CENTRIC, DIGITALLY-ENABLED BUSINESS MODEL

OBJECTIVES:

Leverage deep understanding of customer journeys to deliver inspired products and frictionless customer experiences

Drive step-change in our data, analytics, marketing, and brand capabilities

Strengthen our core technology backbone

Objective: Leverage deep understanding of customer journeys to deliver inspired products and frictionless customer experiences



Foster end-to-end engagement

Tend to the customer throughout the entire lifecycle (before, during, and after purchase)

Be customer-led in design & development

Spot trends early and co-create products, services, offerings

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Create a seamless and personalized experience

Simplify and tailor every interaction with the customer

Build targeted, social media activated brand

Use social media and other digital tools to zero in on an audience

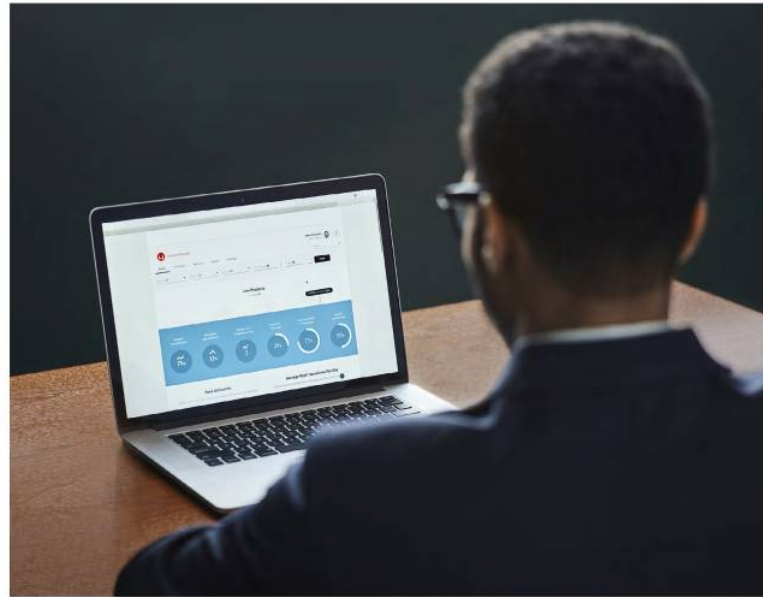
Objective: Drive step-change in our data, analytics, marketing, and brand capabilities

Bolster data analytics and digital marketing capabilities

- Starts with addressing capability gaps (e.g. data science)
- Personalization also a big focus area
- Piloting new technologies like AR/VR

Drive B2C & B2B e-commerce growth

- Already achieving double-digit growth, but still see tremendous upside
- Clear opportunity to address omni-channel friction points
- International e-commerce significantly underpenetrated today



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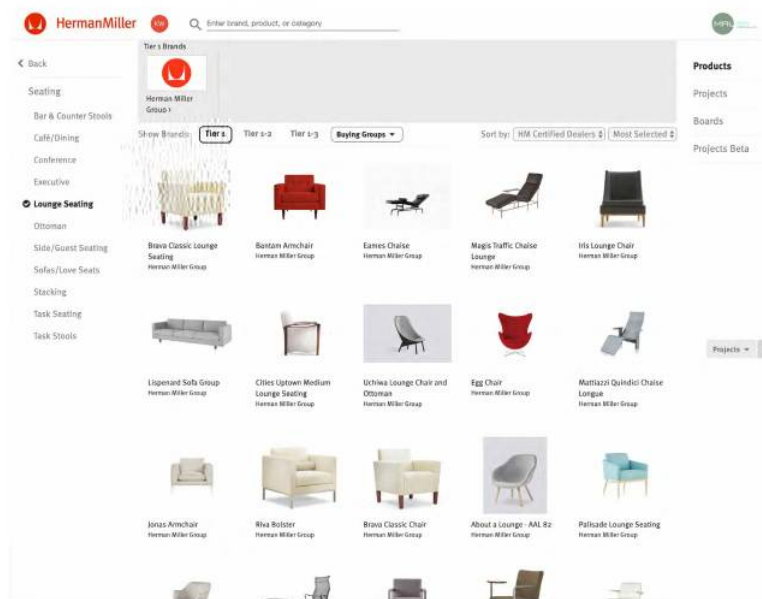
Objective: Strengthen our core technology backbone

Deepen our focus on

- Talent that can drive growth (vs. enable)
- Digital and business leaders (vs. technical leaders)
- Building new capabilities
- Agility
- Key digital platforms that align to our growth initiatives

“This tool will allow us to translate a vision more efficiently and effectively.”

—Dealer designer



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3 ACCELERATE PROFITABLE GROWTH

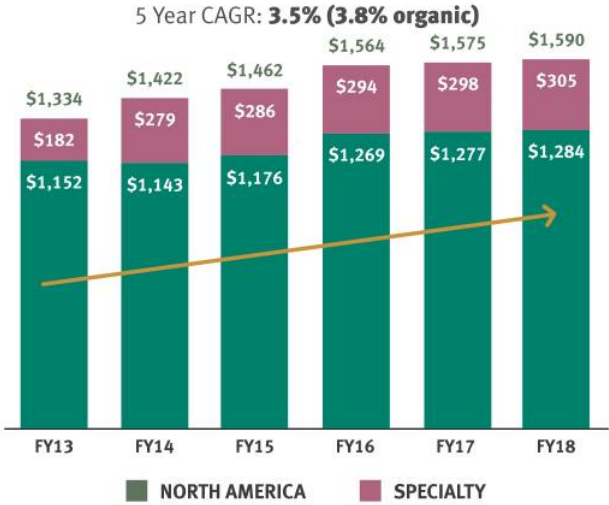
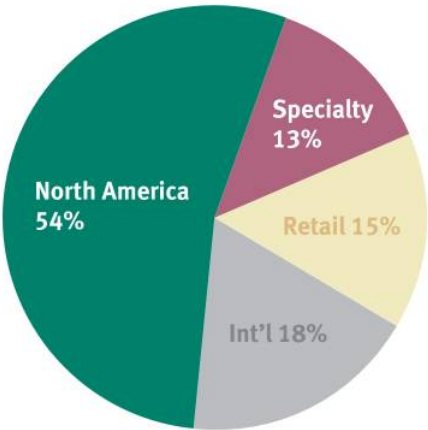
OBJECTIVES:

**Strengthen & evolve
the core Contract
business**

**Drive outsized growth
in International**

**Expand our
Retail business**

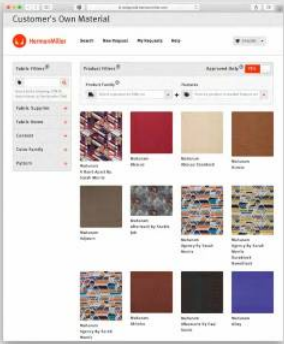
North America Overview



Objective: Strengthen & evolve the core Contract business



Go-to-market Alignment



Digital Tools



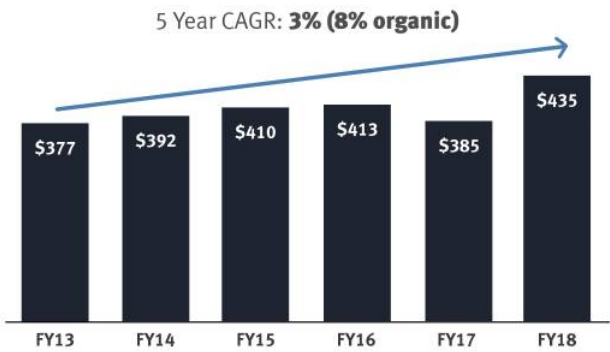
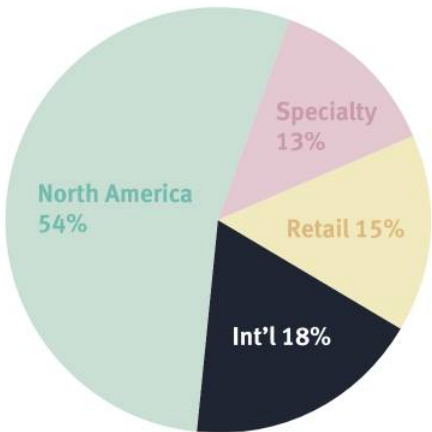
New Products



Profit Improvement

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International Overview



Objective: Drive outsized growth in International



Expand Dealer
Distribution



Enter New
Product Categories



Grow Ancillary



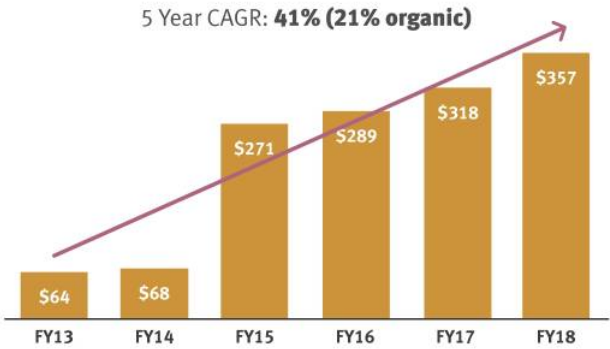
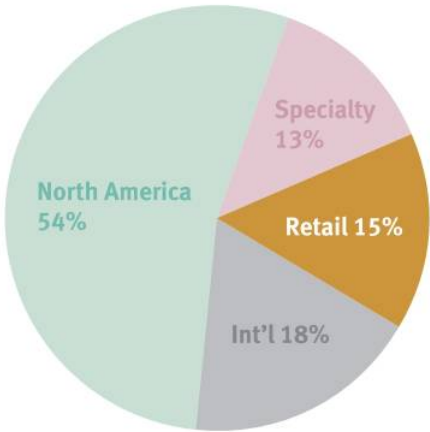
Align Global
Accounts Team



Execute Profitability
Improvement Initiat

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Retail Overview



Objective: Expand our Retail business



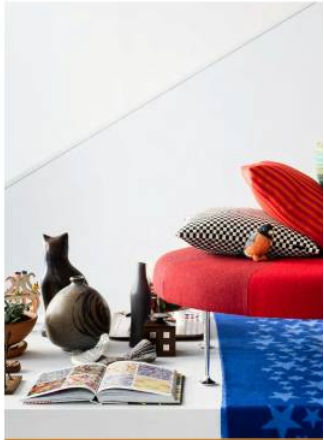
Capability



Delivery Experience



Global Retail



Profitability Improvement
Initiatives

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Design Within Reach Studio Transformation

DWR Nashville



DWR Larkspur



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Launch HAY in North America

HAY Portland



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4 REINFORCE OUR COMMITMENT TO OUR PEOPLE, OUR PLANET, & OUR COMMUNITIES

OBJECTIVES:

Build, develop, and retain and world-class talent

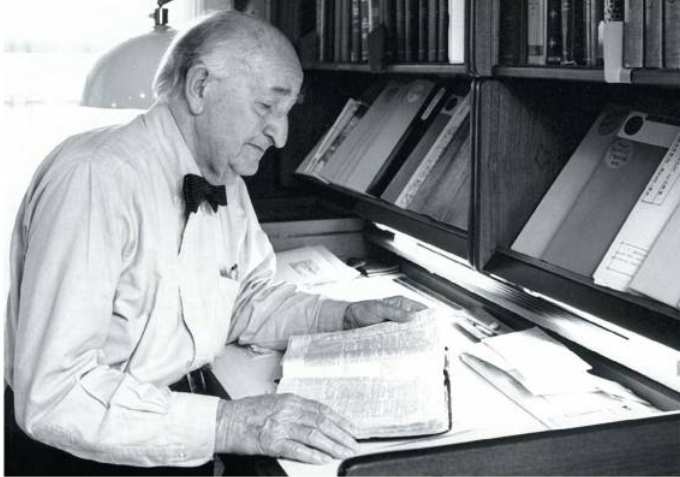
Shape an inclusive and diverse work force

Elevate our Total Societal Impact (Better World) Commitment

Creating A Better World

“A business is rightly judged by its products and services, but it must also face scrutiny as to its humanity.”

- D.J. De Pree, Herman Miller Founder



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Sustainability

Sustainability Leader for the Last Fourteen Years in the RobecoSAM Sustainability Yearbook

Spring Lake manufacturing operation powered 100% by renewable energy through Constellation Offsite Renewable program

27,000 tons of products diverted from landfills since 2009 through rePurpose program

Inclusivity & Diversity

Twelve Consecutive Perfect Scores in Human Rights Campaign Foundation's Corporate Equality Index

2018 Corporation of the Year in the Commercial sector (and 12 of the last 14 years) by the Michigan Minority Supplier Development Council

Wellness

Recognized six years in a row as one of Michigan's Best and Brightest in Wellness by the National Association for Business Resources

Community Impact: **Herman Miller Cares**

8,000 at-risk children served in over 31 cities through We Care holiday program in partnership with Boys and Girls Club of America



Company Snapshot

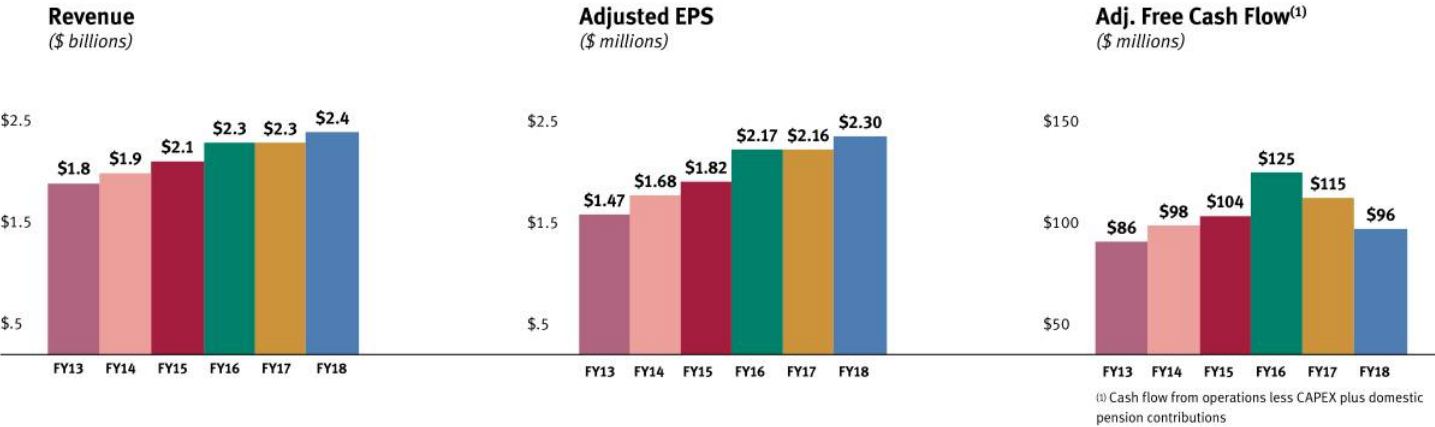
Foundational Insights

Strategic Priorities

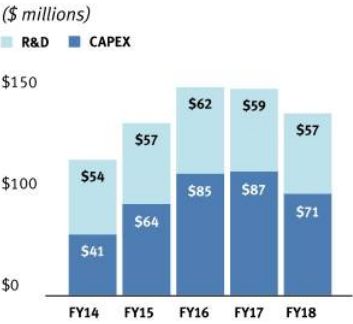
► **Financial Outlook**

Strong track record of financial performance

- Organic revenue growth of 6% at a premium to North America Contract industry growth of 3%
- Robust EPS growth over past 5 years
- Healthy free cash flow generation

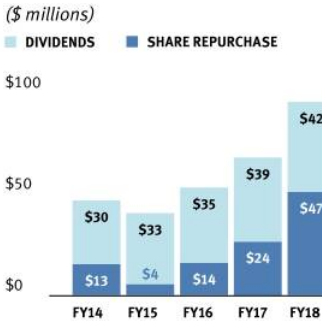


Disciplined capital allocation approach focused on value creation



Investments in Design Within Reach, naughtone, HAY, and Maars Living Walls totaling **\$243M** in past 5 years.

	Q3 FY19
Cash	\$114M
L/T Debt	\$282M
Leverage Ratio	1.0x
Revolver Availability	\$165M



Average annual return on invested capital of **21%** over past 5 years

Focused acquisition
and partnership strategy

	FY10		FY12	FY13	FY15	FY16	FY19	
								
Strategic Rationale								
Audience		✓			✓			✓
Channel			✓	✓	✓			
Geography			✓			✓	✓	✓
Product	✓	✓	✓	✓	✓	✓	✓	✓

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Supportive economic backdrop



(1) BIFMA (January 2019)

(2) American Institute of Architects (March 2019)

(3) National Association of Realtors (March 2019)

**Opportunity for continued
above-average revenue
performance over the next
three to five years**

Revenue	
Core Contract Industry	2-3%
New Products and Initiatives	1-2%
Retail Growth	1-2%
<hr/>	
Estimated Annual Organic Revenue Growth	4-7%
Targeted Acquisitions	2-3%
<hr/>	
Estimated Annual Revenue Growth Including Acquisitions	6-10%

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Operating income growth of 2x to 2.5x the rate of organic revenue growth

Structurally higher operating margins driven by:

- Growth in high margin product categories
- Digital transformation
- Retail growth and optimization
- Scale advantages
- Profit improvement initiatives

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Our Compelling Story



Distinct Capabilities


1

2

3

4

Clear strategic priorities



Strong track record of financial performance and compelling outlook

Questions?





Appendix

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APPENDIX – RECONCILIATION OF NON-GAAP MEASURES

This presentation contains Organic Sales Growth, Adjusted Operating Income, and Adjusted Earnings Per Share, all of which constitute non-GAAP financial measures. Each of these financial measures is calculated by excluding items the Company believes are not indicative of its ongoing operating performance. The Company presents these non-GAAP financial measures because it considers them to be important supplemental indicators of financial performance and believes them to be useful in analyzing ongoing results from operations.

These non-GAAP financial measures are not measures of financial performance under GAAP and should not be considered alternatives to GAAP. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP. In addition, you should be aware that in the future the Company may incur expenses similar to the adjustments presented.

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Organic Sales Growth (Decline) by Reportable Segment

(\$ Millions); (unaudited)

	North America		International		Specialty		Retail		Total	
	2013	2018	2013	2018	2013	2018	2013	2018	2013	2018
Sales, as reported	\$ 1,151.6	\$ 1,284.4	\$ 377.3	\$ 434.5	\$ 182.0	\$ 305.4	\$ 64.0	\$ 356.9	\$ 1,774.9	\$ 2,381.2
<u>Proforma Adjustments</u>										
Dealer Divestitures	(68.8)	(18.2)	(24.0)	-	-	-	-	-	(92.8)	(18.2)
Cumulative foreign exchange	-	46.6	-	94.1	-	1.9	-	2.4	-	145.0
Acquisition - base year	-	-			(10.0)	(107.5)	-	(194.3)	(10.0)	(301.8)
Sales, pro forma	\$ 1,082.8	\$ 1,312.8	\$ 353.3	\$ 528.6	\$ 172.0	\$ 199.8	\$ 64.0	\$ 165.0	\$ 1,672.1	\$ 2,206.2
Compound Annual Growth Rate, as reported		2.2%		2.9%		10.9%		41.0%		6.1%
Compound Annual Growth Rate, pro forma		3.9%		8.4%		3.0%		20.9%		5.7%

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Adjusted Operating Income by Reportable Segment

(\$ Millions); (unaudited)

FY18	Consolidated	North America	Specialty	International	Retail	Corporate
Operating Earnings	\$ 177.5	\$ 166.3	\$ 8.9	\$ 35.5	\$ 13.9	\$ (47.1)
Add: Restructuring/Impairment Expenses	5.7	1.8		3.9		
Add: Special Charges	13.8			2.5		11.3
Adjusted Operating Income	\$ 197.0	\$ 168.1	\$ 8.9	\$ 41.9	\$ 13.9	\$ (35.8)
Revenue	\$ 2,381.2	\$ 1,284.4	\$ 305.4	\$ 434.5	\$ 356.9	
Adjusted Operating Margin	8.3%	13.1%	2.9%	9.6%	3.9%	

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Adjusted Earnings per Share
(\$ Millions); (unaudited)

	FY13	FY14	FY15	FY16	FY17	FY18
Earnings per Share – Diluted	\$ 1.16	\$ (0.37)	\$ 1.62	\$ 2.26	\$ 2.05	\$ 2.12
Add: Acquisition-related Adjustments		\$ 0.01	\$ 0.10			
Add: Legacy Pension Expenses	\$ 0.30	\$ 1.76				
Add: Other Special Charges						\$ 0.16
Add: Restructuring/Impairment Expenses	\$ 0.01	\$ 0.32	\$ 0.17		\$ 0.13	\$ 0.07
Less: Tax Impact			\$ (0.07)			\$ (0.05)
Less: POSH Contingent Consideration		\$ (0.04)				
Less: Non-recurring Gain				\$ (0.09)	\$ (0.02)	
Adjusted Earnings per Share – Diluted	\$ 1.47	\$ 1.68	\$ 1.82	\$ 2.17	\$ 2.16	\$ 2.30



