

# CASTLE A M & CO

## FORM 8-K

(Current report filing)

Filed 04/16/09 for the Period Ending 04/15/09

Address	3400 N WOLF RD FRANKLIN PARK, IL 60131
Telephone	7084557111
CIK	0000018172
Symbol	CAS
SIC Code	5051 - Metals Service Centers and Offices
Industry	Misc. Fabricated Products
Sector	Basic Materials
Fiscal Year	12/31

UNITED STATES  
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): April 15, 2009

**A. M. Castle & Co.**

(Exact name of registrant as specified in its charter)

Maryland  
(State or other jurisdiction  
of incorporation)

1-5415  
(Commission  
File Number)

36-0879160  
(IRS Employer  
Identification No.)

3400 N. Wolf Road, Franklin Park, Illinois  
(Address of principal executive offices)

60131  
(Zip Code)

Registrant's telephone number including area code 847/455-7111

N/A

(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:

- 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 13 e-4(c) under the Exchange Act (17 CFR 240.13 e-4(c))

**Item 5.02(e) Departure of Directors or Principal Officers; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.**

On April 15, 2009, A. M. Castle & Co. (the "Company") amended the A. M. Castle & Co. Supplemental 401(k) Savings and Retirement Plan (the "Supplemental 401(k) Plan"). Effective April 27, 2009, commensurate with an amendment to the A. M. Castle & Co. 401(k) Savings and Retirement Plan (the "401(k) Savings Plan"), the Company contributions provided under the Supplemental 401(k) Plan (which is an excess benefit plan) will be suspended for the remainder of the 2009 plan year, or for any future plan years as may be determined by the Company in its sole discretion. The foregoing summary is qualified in its entirety by reference to the full and complete terms of the amendment attached as Exhibit 10.1 hereto, and incorporated herein by reference.

**Item 8.01 Other Events.**

On April 15, 2009, the Company issued a press release announcing a series of cost reduction initiatives, including reduced work weeks and furloughs, suspension of the Company's 401(k) contributions and executive officer salary reductions. A copy of this press release is attached as Exhibit 99.1 hereto and incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

**Exhibit Description**

- |      |   |
|------|---|
| 10.1 | First Amendment to the A. M. Castle & Co. Supplemental 401(k) Savings and Retirement Plan, executed April 15, 2009 (as effective April 27, 2009). |
| 99.1 | Press Release, dated April 15, 2009   |

***Forward Looking Statements***

*Information provided and statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this report and the company assumes no obligation to update the information included in this report. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate" or similar expressions. These statements are not guarantees of performance or results and they involve risks, uncertainties and assumptions. For a further description of these factors, see Item 1A. Risk Factors of our Form 10-K for the fiscal year ended December 31, 2008, which was filed on March 11, 2009. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements.*

**SIGNATURES**

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 hereunto duly authorized.

A. M. Castle & Co.

By: /s/ Scott F. Stephens  
Name: Scott F. Stephens  
Title: Vice President and Chief Financial Officer

Date: April 16, 2009

**FIRST AMENDMENT  
TO THE  
A.M. CASTLE & CO.  
SUPPLEMENTAL 401(k) SAVINGS AND RETIREMENT PLAN**

**WHEREAS**, A.M. Castle & Co. (the “Company”) maintains the A.M. Castle & Co. Supplemental 401 (k) Savings and Retirement Plan (As Amended and Restated Effective as of January 1, 2009) (the “Plan”).

**WHEREAS**, the Plan was previously amended and restated, and further amendment thereof is now considered desirable.

**NOW, THEREFORE**, it is resolved that the Plan be and is hereby amended, effective April 27, 2009, as follows:

1. By amending subsection 3.3 of the Plan in its entirety to read as follows:

“3.3. Matching Credits. Subject to such terms, conditions, and limitations as the Committee may from time to time impose, for each Plan Year, the Account of each Participant who files a Participation Election for such year shall be credited with ‘Matching Credits’ in the amount, if any, that would have been credited to his account as a ‘Matching Contribution’ under the 401(k) Savings Plan had the Participant made Before-Tax Contributions to the 401(k) Savings Plan for the same period and at the same rate as he defers compensation under subsection 3.2 and had the limitations of Code section 415, 402(g) and 401(a)(17) not applied. The amount of Matching Credits for any period shall be credited to the Participant’s Account at the same time as Matching Contributions, if any, would otherwise have been credited to his Account under the 401(k) Savings Plan or at such other time as the Committee may reasonably determine in accordance with uniform procedures established by it.”

2. By amending subsection 3.4 of the Plan in its entirety to read as follows:

“3.4. Make-Whole Credits. For each Plan Year, an amount (referred to as a ‘Make-Whole Credit’) equal to the amount by which a Participant’s Employer Contribution under the 401(k) Savings Plan for that year, if any, is reduced by reason of either the limitations of Code section 415 or 401(a)(17) or by reason of deferrals under this Plan shall be credited to the Participant’s Account, at the same time that Employer Contributions, if any, would otherwise have been credited to his Account under the 401(k) Savings Plan or at such other time as the Committee may reasonably determine in accordance with uniform procedures established by it.”

**[Signature Page Follows]**





## A. M. CASTLE & CO.

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(847) 455-6930 (Fax)

### For Further Information:

#### ————AT THE COMPANY————

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Traded: NYSE (CAS)  
Member: S&P SmallCap 600 Index

#### ————AT FD ASHTON PARTNERS————

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**FOR IMMEDIATE RELEASE**  
**WEDNESDAY, APRIL 15, 2009**

### A. M. CASTLE & CO. ANNOUNCES ADDITIONAL COST REDUCTION MEASURES

**FRANKLIN PARK, IL, APRIL 15<sup>TH</sup> - A. M. CASTLE & CO. (NYSE: CAS )**, a global distributor of specialty metal and plastic products, services and supply-chain solutions, today announced a series of cost reduction initiatives amid continued challenges in the global economy and the metals market. In March of 2009, the Company announced its intention to reduce 2009 operating expenses by at least \$45 million. With the latest additions to its cost management efforts, the Company expects a \$65 million operating expense reduction in 2009 compared to prior year levels, a reduction of over 20%. The additional cost reduction measures announced today and planned to commence at the end of April include: lower payroll costs through a combination of reduced work weeks and furloughs, suspension of the Company's 401(k) contributions, and executive salary cuts of at least 10 percent resulting in a total cash compensation reduction of approximately 20%. The Company also announced plans to further reduce capital expenditures in 2009 to strengthen the Company's liquidity position. Management previously announced anticipated 2009 capital expenditures of \$10 million compared to approximately \$27 million in 2008. The 2009 capital expense budget was revised to a target of \$3 million.

“Our Company is going through unprecedented change in a very challenging environment and we are asking Castle employees to make many sacrifices. However, we are taking these measures with the goal of sustaining the Company for a strong future for our shareholders, customers and our employees,” said Michael Goldberg, President and CEO of A. M. Castle & Co. “While we have already taken numerous measures to reduce costs, continued decline in demand requires us to take further steps to better position ourselves for success once the economy recovers.”

Goldberg added, “Despite these near term challenges, we are focused on maintaining profitability and operating with a low cost structure. We remain committed to completing our Oracle ERP implementation by year-end, which will be critical in driving our Company’s future growth and emerging from this economic turmoil as a more lean and competitive business.”

**About A. M. Castle & Co.**

Founded in 1890, A. M. Castle & Co. is a global distributor of specialty metal and plastic products, value-added services and supply chain solutions, principally serving the producer durable equipment sector of the economy. Its customer base includes many Fortune 500 companies as well as thousands of medium and smaller-sized firms spread across a variety of industries. Within its metals business, it specializes in the distribution of alloy and stainless steels; nickel alloys; aluminum and carbon. Through its subsidiary, Total Plastics, Inc., the Company also distributes a broad range of value-added industrial plastics. Together, Castle operates over 56 locations throughout North America, Europe and Asia. Its common stock is traded on the New York Stock Exchange under the ticker symbol "CAS".

**Forward Looking Statements**

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