

NORTHWEST PIPE CO
Form 10-Q/A
September 04, 2014

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

FORM 10-Q/A

Amendment No. 1

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

For the quarterly period ended: March 31, 2014

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: 0-27140

NORTHWEST PIPE COMPANY

(Exact name of registrant as specified in its charter)

OREGON
(State or other jurisdiction of
incorporation or organization)
5721 SE Columbia Way
Suite 200
Vancouver, Washington 98661
(Address of principal executive offices and zip code)
360-397-6250
(Registrant's telephone number including area code)

93-0557988
(I.R.S. Employer
Identification No.)

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 ☒ 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 ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See 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 ☒
Non-accelerated filer ☐ 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 ☒

Common Stock, par value \$.01 per share
(Class)
9,508,917
(Shares outstanding at May 6, 2014)

Explanatory Note

In this Amendment No. 1 to Quarterly Report on Form 10-Q/A for the quarter ended March 31, 2014 (the "March 2014 Form 10-Q/A"), Northwest Pipe Company (the "Company") is updating Item 4 (Controls and Procedures) as of March 31, 2014 and for the quarter ended March 31, 2014 as filed with the Securities and Exchange Commission (the "SEC") on May 9, 2014 (the "Original Filing") to reflect changes in our assessment of internal controls over financial reporting and disclosure controls and procedures. Except for the inclusion of new certifications required by Rule 13a-14 under the Securities Exchange Act of 1934, as amended ("Exchange Act"), and as required to reflect the change in Item 4 (Controls and Procedures), no modifications or updates have been made to the consolidated financial statements or data for the quarters ended March 31, 2014 and March 31, 2013, as filed in the Original Filing.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act")) are designed to provide reasonable assurance that information required to be disclosed in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to our management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosures.

At the time that our Annual Report on Form 10-K for the year ended December 31, 2013 was filed on March 17, 2014 and when our Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 was filed on May 9, 2014, our CEO and CFO concluded that our disclosure controls and procedures were effective as of December 31, 2013 and March 31, 2014, respectively, and management concluded that our internal control over financial reporting was effective as of December 31, 2013. Subsequent to these evaluations, our CEO and CFO concluded that our disclosure controls and procedures were not effective as of December 31, 2013 and March 31, 2014 and management concluded that our internal control over financial reporting was not effective as of December 31, 2013 because of the material weakness in our internal control over financial reporting described below.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Management has identified the following control deficiency that constituted a material weakness in our internal control over financial reporting as of June 30, 2014, which management has also determined to exist as of December 31, 2013 and March 31, 2014:

We did not design and maintain effective controls over our impairment assessment of goodwill. Specifically, we did not design and maintain effective controls related to the critical review of assumptions, data inputs and results of the goodwill impairment analysis, and the identification of changes in events and circumstances that indicate it is more likely than not that a goodwill impairment has occurred between annual impairment tests.

The control deficiency did not result in any adjustments to our annual or interim consolidated financial statements; however, the control deficiency could result in misstatements to the goodwill and impairment of goodwill account balances and disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected. Accordingly, we have determined that this control deficiency

constitutes a material weakness.

Plans for Remediation of Material Weakness

In response to the material weakness described above, our management, with the oversight from our Audit Committee of the Board of Directors, plans to take measures to remediate the underlying causes of the material weakness. We will take the following actions to improve the design of our internal control in order to remediate this weakness:

Review, expand, and enhance documentation of the processes related to the impairment assessment of goodwill.

Design, document, and implement additional control procedures related to the review of the assumptions and data inputs used in the analysis, as well as review of the results of the goodwill impairment analysis.

Design, document, and implement control procedures specifically related to the evaluation of changes in events and circumstances which occur between annual impairment tests.

Test and evaluate the design and operating effectiveness of the control procedures.

Conclude on the effectiveness of the remediation plan.

We believe these additional internal controls will be effective in remediating the material weakness described above; however, we may determine to modify the remediation plan described above. Until the remediation steps set forth above are fully implemented, the material weakness described above will continue to exist.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2014 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 6. Exhibits

(a) The exhibits filed as part of this Report are listed below:

Exhibit	
Number	Description
2.1	Asset Purchase Agreement by and between Northwest Pipe Company and Centric Pipe, LLC, incorporated by reference to the Company's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on April 1, 2014
10.1	Northwest Pipe Company 2014 Short Term Incentive Plan, incorporated by reference to the Company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission on March 17, 2014*
10.2	Executive Employment Agreement between Northwest Pipe Company and Gary A. Stokes, incorporated by reference to the Company's Current Report on Form 8-K, as filed with the Securities and Exchange Commission on April 4, 2014*
31.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014
101.INS	XBRL Instance Document, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014
101.SCH	XBRL Taxonomy Extension Schema Document, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange

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Commission on May 9, 2014

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| 101.CAL | XBRL Taxonomy Extension Calculation Document, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014 |
| 101.DEF | XBRL Taxonomy Definition Linkbase Document, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014 |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014 |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document, incorporated by reference to the Company's Quarterly Report on Form 10-Q for the period ended March 31, 2014, as filed with the Securities and Exchange Commission on May 9, 2014 |

* This exhibit constitutes a management contract or compensatory plan or arrangement.

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 thereunto duly authorized.

Dated: September 4, 2014

NORTHWEST PIPE COMPANY

By: /s/ SCOTT MONTROSS

Scott Montross

Director, President and Chief Executive
Officer

By: /s/ ROBIN GANTT

Robin Gantt

Senior Vice President, Chief Financial
Officer and Assistant Secretary
(Principal Financial Officer)