

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 1934

Date of Report (Date of earliest event reported):

November 7, 2016

LAWSON PRODUCTS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

0-10546

(Commission File
Number)

36-2229304

(I.R.S. Employer
Identification No.)

8770 W. Bryn Mawr Ave., Suite 900, Chicago, Illinois

(Address of principal executive offices)

60631

(Zip Code)

(Registrant's telephone number, including area code)

(773) 304-5050

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:

- 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))

Item 2.05 Costs Associated with Exit or Disposal Activities.

On November 7, 2016, Lawson Products, Inc. (the "Company") approved a plan to close its distribution center located in Fairfield, New Jersey. The decision was primarily driven by the existing excess capacity within its supply chain network, in particular, its state-of-the-art facility located in McCook, Illinois that opened in late 2012. Customers currently serviced by the Fairfield location will be serviced out of the existing McCook, Illinois and Suwanee, Georgia distribution centers.

The Company expects to be substantially complete with the closure by the end of the first quarter of 2017 and estimates total one-time cash charges associated with this action to be between \$1.4 million and \$1.7 million, primarily related to severance, labor and inventory transfer costs. The closure will result in approximately 37 job reductions at the Fairfield, New Jersey location. The Company expects to record the majority of the charges in the fourth quarter of 2016 and the first quarter of 2017.

Once completed, this action is expected to generate net annual savings of approximately \$1.2 million. Additionally, the Company expects to record a gain upon the sale of the Fairfield, New Jersey facility in 2017 or 2018, that will exceed the costs associated with the closure.

A copy of the related press release is attached as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release issued on November 8, 2016

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.

LAWSON PRODUCTS, INC.

(Registrant)

Date: November 8, 2016

By: /s/ Ronald J. Knutson

Name: Ronald J. Knutson

Title: Executive Vice President, Chief Financial Officer,
Treasurer and Controller

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release issued on November 8, 2016

Lawson Products Announces Closure of Its Fairfield, New Jersey Facility

CHICAGO - November 8, 2016 - Lawson Products, Inc. (NASDAQ:LAWS), a distributor of products and services to the MRO and automotive marketplaces, today announced plans to close its distribution center in Fairfield, New Jersey by March 2017. The decision was made based upon the enhanced capabilities and efficiencies of its state-of-the-art McCook, Illinois distribution center which opened in 2012.

The 308,000 square foot McCook distribution center provides the company and its customers many benefits including increased fulfillment rates, enhanced product availability, and greater shipping options given the facility's proximity to a UPS hub. Located in suburban Chicago, McCook will assume approximately 80 percent of the customers currently serviced by the company's Fairfield distribution center with the remaining customers transitioning to Lawson's Suwanee, Georgia facility. The company does not expect any service disruptions to its customers.

"We made the investment in state-of-the-art infrastructure in our McCook facility to maximize distribution center efficiency and accommodate growth to best serve our customers. Lawson Products continues to have a very strong infrastructure and significant capacity within its existing distribution network to grow," said Michael DeCata, president and chief executive officer, Lawson Products.

"I would like to thank the entire Fairfield team for their commitment and their outstanding customer support," DeCata said. The Fairfield distribution center opened in 1976 and employs 37 people. Positions will be phased out over the coming months and the company will work with the affected employees, offering outplacement support and other resources.

Lawson Products expects to record estimated one-time cash charges primarily consisting of severance, labor and inventory transfer costs between \$1.4 million and \$1.7 million during the fourth quarter of 2016 and the first quarter of 2017. The company expects the closure of this facility will result in annual net savings of approximately \$1.2 million. The company expects to realize a gain in excess of the closure costs when the Fairfield facility is sold.

About Lawson Products, Inc.

Founded in 1952, Lawson Products (NASDAQ: LAWS) is an industrial distributor of maintenance and repair products. Lawson carries a comprehensive line of products and provides inventory management services to the industrial, commercial, institutional and government maintenance, repair and operations (MRO) market. With several strategically located distribution centers in North America, Lawson ships to customers in all 50 states, Puerto Rico, Canada, Mexico and the Caribbean. Under its Kent Automotive brand, the Company supplies products to collision and mechanical repair shops as well as automotive OEMs. For additional information, please visit <https://www.lawsonproducts.com> or <https://www.kent-automotive.com>.

This Release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. The terms "may," "should," "could," "anticipate," "believe," "continues," "estimate," "expect," "intend," "objective," "plan," "potential," "project" and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. These statements are based on management's current expectations, intentions or beliefs and are subject to a number of factors, assumptions and uncertainties that could cause or contribute to such differences or that might otherwise impact the business and include the risk factors set forth in Item 1A of the December 31, 2015, Form 10-K filed on February 18, 2016. The Company undertakes no obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements whether as a result of new information, future events or otherwise.

Media Contact:

Lawson Products, Inc.

Julie Baron

Julie@CommunicationWorks.biz

847-525-3043

or

Investor Relations:

Lawson Products, Inc.

Ronald J. Knutson

Executive Vice President, Chief Financial Officer

773-304-5665

Ron.Knutson@lawsonproducts.com