

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) December 3, 2019

CONSTELLATION BRANDS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-08495
(Commission
File Number)

16-0716709
(IRS Employer
Identification No.)

207 High Point Drive, Building 100, Victor, NY 14564
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(585) 678-7100**

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))

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

| <u>Title of Each Class</u> | <u>Trading Symbol(s)</u> | <u>Name of Each Exchange on Which Registered</u> |
|-----------------------------------|---------------------------------|---------------------------------------------------------|
| Class A Common Stock | STZ | New York Stock Exchange |
| Class B Common Stock | STZ.B | New York Stock Exchange |

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.

Item 7.01 Regulation FD Disclosure.

On December 3, 2019, Kings & Convicts Brewing Co. (“Kings & Convicts”) and Constellation Brands, Inc. (“Constellation” or the “Company”) issued a joint news release, announcing that Kings & Convicts has agreed to acquire Ballast Point, a copy of which release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

References to Kings & Convicts’ website, Constellation’s website, and/or other social media sites or platforms in the release do not incorporate by reference the information on such websites, social media sites or platforms into this Current Report on Form 8-K, and Constellation disclaims any such incorporation by reference. The information in the news release attached as Exhibit 99.1 is incorporated by reference into this Item 7.01 in satisfaction of the public disclosure requirements of Regulation FD. This information is “furnished” and not “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, and is not otherwise subject to the liabilities of that section. Such information may be incorporated by reference in another filing under the Securities Exchange Act of 1934 or the Securities Act of 1933 only if and to the extent such subsequent filing specifically references the information incorporated by reference herein.

Item 8.01 Other Events.

On December 3, 2019, Kings & Convicts and Constellation announced that Kings & Convicts has agreed to acquire the Ballast Point brand and a number of its associated production facilities and brewpubs, excluding Constellation’s Craft & Specialty production brewery and distribution warehouse in Daleville, Virginia. This transaction is subject to the satisfaction of certain customary closing conditions.

Item 9.01 Financial Statements and Exhibits.

For the exhibit that is furnished herewith, see the Index to Exhibits immediately following.

INDEX TO EXHIBITS

| <u>Exhibit No.</u> | <u>Description</u> |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------|
| (99) | ADDITIONAL EXHIBITS |
| (99.1) | Joint News Release of Kings & Convicts Brewing Co. and Constellation Brands, Inc. dated December 3, 2019 |
| (104) | Cover Page Interactive Data File (embedded within the Inline XBRL document). |

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.

Date: December 3, 2019

CONSTELLATION BRANDS, INC.

By: /s/ David Klein
David Klein
Executive Vice President and
Chief Financial Officer



Craft Brewer Kings & Convicts Brewing Co. to Acquire Ballast Point

CHICAGO and VICTOR, N.Y., Dec. 3, 2019 - Chicagoland-based Kings & Convicts Brewing Co. and Constellation Brands, Inc. (NYSE: STZ and STZ.B), a leading beverage alcohol company, announced today that Kings & Convicts has signed an agreement with Constellation to acquire the Ballast Point brand and a number of its associated production facilities and brewpubs, excluding Constellation's Craft & Specialty operations in Daleville, Virginia. This transaction is expected to close by the end of Constellation's fiscal 2020.

"We're excited to welcome the team at Ballast Point into the Kings & Convicts family," said Brendan Watters, Kings & Convicts' chief executive officer. "We have long admired the quality and spirit of Ballast Point's brands and team. Ballast Point's best-in-class brewing standards will remain unchanged, delivering the same high-quality, award-winning products the company has become known for over the years. Our goal is to leverage Ballast Point's deep know-how, talented and passionate employee base, and outstanding operating team to grow both Ballast Point and Kings & Convicts together."

As part of this agreement, Kings & Convicts will retain all positions within Ballast Point's existing workforce, with plans to hire additional resources to support the future growth of the business.

"Trends in the U.S. craft beer segment have shifted dramatically since our acquisition of Ballast Point," said Bill Newlands, Constellation Brands president and chief executive officer. "Ballast Point remains one of the most iconic craft beer brands in the country and we're pleased to transition the business to an owner that can devote the resources needed to fuel its future success. At the same time, this decision allows Constellation to focus more fully on maximizing growth for our high-performing import portfolio and upcoming new product introductions, including Corona Hard Seltzer, scheduled to launch this spring."

Constellation expects to realize slightly improved depletion and margin trends for the beer business upon close of this transaction. Terms of the transaction were not disclosed.

About Kings & Convicts Brewing Co.

Kings & Convicts started brewing for the public in Highwood, Illinois in 2017. Conceived by an Englishman and an Aussie, Kings & Convicts was built on the freedom of anti-authority and the spirit of fellowship. They brew ales and lagers inspired by the tales of convicts, royalty and the undercurrent of American gangsters. Every beer tells a story. Kings & Convicts' beer is available in draft and cans at their taproom and in bars and restaurants across Chicagoland and southern Wisconsin. For more information, follow along on [Instagram](#) and [Facebook](#), and visit www.kingsandconvicts.com.

About Constellation Brands

Constellation Brands (NYSE: STZ and STZ.B), a Fortune 500® company, is a leading international producer and marketer of beer, wine and spirits with operations in the U.S., Mexico, New Zealand, and Italy. Constellation is the No. 3 beer company in the U.S. with high-end, iconic imported brands such as the Corona and Modelo brand families and Pacifico. Its high-quality, wine and spirits brands include the Robert Mondavi and The Prisoner Wine Company brand families, Kim Crawford, Ruffino, Meiomi, and SVEDKA Vodka. The company's portfolio also includes a collection of highly-rated wine brands such as SIMI and Mount Veeder Winery, spirits brands High West Whiskey and Casa Noble Tequila, as well as new wine innovations such as Cooper & Thief, 7 Moons, and Crafters Union.

Based in Victor, N.Y., the company believes that industry leadership involves a commitment to brand building, our trade partners, the environment, our investors and to consumers around the world who choose our products when celebrating big moments or enjoying quiet ones. Since its founding in 1945, Constellation's ability to see, meet and stay ahead of shifting consumer preferences and trends across total beverage alcohol has fueled our success and made us one of the top growth contributors in beverage alcohol in the U.S.

To learn more, follow us on Twitter [@cbrands](#) and visit www.cbrands.com.

Forward-Looking Statements

This news release contains forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The word "expect," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These statements may relate to business strategy, future operations, prospects, plans and objectives of management, as well as information concerning expected actions of third parties. All forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those set forth in, or implied by, such forward-looking statements.

The forward-looking statements are based on management's current expectations and should not be construed in any manner as a guarantee that such results will in fact occur or will occur on the timetable contemplated hereby. All forward-looking statements speak only as of the date of this news release and neither Constellation Brands, Inc. nor Kings & Convicts Brewing Co. undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The transaction between Constellation Brands, Inc.'s subsidiary Home Brew Mart, Inc. and Kings & Convicts is subject to the satisfaction of certain customary closing conditions, including receipt of approvals. There can be no assurance the transaction will occur or will occur on its contemplated terms or timetable.

In addition to risks and uncertainties associated with ordinary business operations, the forward-looking statements contained in this news release are subject to other risks and uncertainties, including completion of the announced transaction; the accuracy of all projections; and other factors and uncertainties disclosed from time-to-time in Constellation Brands, Inc.'s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended February 28, 2019 and its Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2019, which could cause actual future performance to differ from current expectations.

Kings & Convicts Brewing Co.:

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Constellation Brands:

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