

NEWELL RUBBERMAID INC
Form 11-K
June 28, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 11-K

FOR ANNUAL REPORTS OF EMPLOYEE STOCK
PURCHASE, SAVINGS AND SIMILAR PLANS
PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2012

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

Commission file number: 1-9608

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

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NEWELL RUBBERMAID 401(k) SAVINGS AND RETIREMENT PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Newell Rubbermaid Inc.

Three Glenlake Parkway

Atlanta, GA 30328

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REQUIRED INFORMATION

Financial Statements. The following financial statements and schedule are filed as part of this annual report and appear immediately after the signature page hereof:

1. Report of Independent Registered Public Accounting Firm
2. Statements of Net Assets Available for Benefits
3. Statement of Changes in Net Assets Available for Benefits
4. Notes to Financial Statements
5. Supplemental Information

Exhibits. The following exhibit is filed as a part of this annual report:

Exhibit 23.1 Consent of Independent Registered Public Accounting Firm

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

NEWELL RUBBERMAID 401(k) SAVINGS AND
RETIREMENT PLAN

Date: June 28, 2013

/s/ Ginny Sutton
Ginny Sutton, Senior Vice President, Global Total Rewards and
Member, Benefit Plans Administrative Committee

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AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

Newell Rubbermaid 401(k) Savings and Retirement Plan

December 31, 2012 and 2011 and Year Ended December 31, 2012

With Report of Independent Registered Public Accounting Firm

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**NEWELL RUBBERMAID 401(k) SAVINGS AND RETIREMENT PLAN
AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
DECEMBER 31, 2012 AND 2011 AND YEAR ENDED DECEMBER 31, 2012**

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Benefit Plans Administrative Committee

Newell Rubbermaid 401(k) Savings and Retirement Plan

We have audited the accompanying statements of net assets available for benefits of Newell Rubbermaid 401(k) Savings and Retirement Plan as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Newell Rubbermaid 401(k) Savings and Retirement Plan as of December 31, 2012 and 2011, and the changes in its net assets available for benefits for the year ended December 31, 2012, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2012, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Atlanta, Georgia
June 28, 2013

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Newell Rubbermaid 401(k) Savings and Retirement Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2012	2011
Assets		
Investments, at fair value	\$ 798,989,636	\$ 732,821,520
Notes receivable from participants	16,138,247	16,406,397
Employer contribution receivable	17,678,418	18,842,567
Total assets	832,806,301	768,070,484
Liabilities		
Excess participant contributions payable	(1,424,686)	(379,948)
Administrative expenses payable	(174,153)	(80,033)
Total liabilities	(1,598,839)	(459,981)
Net assets available for benefits, at fair value	831,207,462	767,610,503
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(11,301,369)	(12,370,517)
Net assets available for benefits	\$ 819,906,093	\$ 755,239,986

See accompanying Notes to Financial Statements.

Table of Contents**Newell Rubbermaid 401(k) Savings and Retirement Plan****Statement of Changes in Net Assets Available for Benefits**

Year Ended December 31, 2012

Investment income:	
Net appreciation in fair value of investments	\$ 76,958,124
Interest, dividends and other	14,741,471
Interest income on notes receivable from participants	539,673
Total investment income	92,239,268
Contributions:	
Participant	30,935,228
Employer	32,539,258
Rollover	1,892,074
Total contributions	65,366,560
Deductions:	
Benefits paid to participants	(91,851,626)
Administrative expenses	(1,088,095)
Total deductions	(92,939,721)
Net increase	64,666,107
Net assets available for benefits beginning of year	755,239,986
Net assets available for benefits end of year	\$ 819,906,093

See accompanying Notes to Financial Statements.

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Newell Rubbermaid 401(k) Savings and Retirement Plan

Notes to Financial Statements

Year Ended December 31, 2012

1. Description of the Plan

The following description of the Newell Rubbermaid 401(k) Savings and Retirement Plan (the Plan) provides only general information. Participants should refer to the Summary Plan Description document and Plan document for a more complete description of the Plan s provisions.

General

The Plan is a defined contribution plan administered by the Benefit Plans Administrative Committee (the Plan Administrator), which is appointed by the Board of Directors of Newell Operating Company, a subsidiary of Newell Rubbermaid Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Eligibility

Certain employees of Newell Operating Company and affiliated companies who have adopted the Plan (collectively, the Company) are eligible to participate in the Plan. Full-time employees, as defined by the Plan document, are eligible to participate in the Plan upon date of hire. Other employees are eligible to participate after completing one year of service, as defined by the Plan document.

Contributions

Subject to legal and Plan limits, participants may elect to contribute up to 50% of pretax earnings, as defined by the Plan document. Participants may also make catch-up contributions if they have attained age 50 before the close of the Plan Year. The Company contributes a matching contribution for participants in an amount equal to 100% of the first 3% of compensation plus 50% of the next 2% of compensation contributed by the participant. Certain union employees within Rubbermaid Inc. are eligible for an annual retirement contribution based on hours worked and generally must be employed on the last day of the Plan year to receive the contribution. Nonunion participants are eligible for an annual retirement savings contribution, which is determined based on the participant s age and years of service. Nonunion participants hired prior to January 1, 2004, who were age 50 or older and were actively employed on January 1, 2005, are eligible for an annual transition retirement contribution, which is determined based on the participant s age. Generally, participants must work 1,000 hours and be employed on the last day of the Plan year to receive the retirement savings and transition retirement contributions. The Plan also accepts rollovers from other tax-qualified plans.

Participant Accounts

Separate accounts are maintained for each participant. Each participant s account is credited with the participant s contributions and Company matching contributions and an allocation of (a) the union retirement contribution, if applicable, (b) the retirement savings contribution, if applicable, (c) the transition retirement contribution, if applicable, and (d) Plan earnings (which are net of investment management expenses). Allocations are based on participant earnings or account balances, as defined. Additionally, participant accounts are assessed a quarterly fixed fee as consideration for services provided by the trustee and recordkeeper, as well as transaction specific fees, such as loan origination, brokerage and shipping fees, which are directly assessed against the account of the participant initiating the transaction.

Vesting and Forfeitures

Participants are immediately vested in their contributions. Effective January 1, 2010, the Plan was amended to modify the vesting provisions for Company matching contributions for Plan participants hired after December 31, 2009. Company matching contributions for these participants will become 100% vested when the employee has rendered three years of vesting service, as defined. Eligible participants hired prior to January 1, 2010 are immediately vested in the Company matching contributions. All union retirement contributions vest over a six-year graded schedule and the retirement savings and transition retirement contributions become 100% vested when the employee has rendered three years of vesting service, as defined. Forfeitures are used to pay Plan expenses and reduce Company matching or retirement contributions. Forfeitures available for future use were \$1,124,104 and \$385,610 at December 31, 2012 and 2011, respectively. Forfeitures of \$903,111 were used to

reduce Company matching contributions and retirement contributions for 2012.

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Newell Rubbermaid 401(k) Savings and Retirement Plan

Notes to Financial Statements (continued)

Participant Loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, excluding any account balance associated with Qualified Voluntary Employee Contributions. Loan terms range from one to five years (up to ten years for the purchase of a principal residence). The loans are secured by the balance in the participant's account and bear interest at a rate based on prevailing market conditions. Interest rates on loans outstanding at December 31, 2012 ranged from 3.25% to 9.69%. Principal and interest are paid ratably through periodic payroll deductions.

Investment Options

All investments are participant-directed. Participants may direct contributions to the Plan to one or more of the Plan's investment funds. The portion of the Plan's investments held in the Company Stock Fund is designated as an employee stock ownership plan (ESOP). In addition to the investment funds offered by the Plan, participants may invest in a self-directed brokerage account. Participants may change their investment options or reallocate investment balances on a daily basis.

Payment of Benefits

On termination of service or upon death, disability, or retirement, a participant may receive a lump-sum amount equal to the vested value of their account or elect to receive periodic installment payments. Generally, unless the participant elects otherwise, distributions related to the ESOP portion of the participant's account will be made in equal installments over a period not exceeding five years. Benefits are recorded when paid.

2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value for mutual funds and common stock equals the quoted market price in an active market on the last business day of the Plan year. Shares of mutual funds are valued at the net asset value of shares held by the Plan on the last business day of the Plan year. The Plan's common/collective trust fund investments, including the common/collective trust fund investments that are included in the INVESCO Stable Value Fund (the Fund), are valued at their net asset value per unit as reported by the fund manager of the collective trust.

The Fund is comprised of common/collective trust funds, synthetic guaranteed investment contracts (referred to hereafter as wrapper contracts) and a short-term interest fund. The Fund's key objectives are to provide preservation of principal, maintain a stable interest rate and provide daily liquidity at contract value for participant withdrawals and transfers in accordance with the provisions of the Plan. The Fund accomplishes these objectives through the wrapper contracts which guarantee the contract value to the extent the fair value of the underlying investments in the common/collective trust funds is less than contract value. The fair values of the wrapper contracts are determined using the income approach. The difference between the replacement cost of the wrapper contract (a re-pricing provided annually by the contract issuer) and the current wrapper fee is converted into assumed cash flows over the duration of the holding. The cash flows are discounted using a yield curve interpolated from swap rates and adjusted for liquidity and credit quality. The fair value of the short-term interest fund is based on the net asset value reported by the fund manager, which is derived by the fund manager based largely on the quoted market prices of the assets underlying the fund.

The wrapper contracts are defined as fully benefit-responsive investments. Based on the terms of the wrapper contracts and the fair values of the investments in the Fund, an adjustment is required to adjust the aggregate fair value of the Fund's investments in common/collective trust funds, short-term interest fund and wrapper contracts to contract value, with contract value of the Fund determined based on the provisions of the

wrapper contracts. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Contract value is the amount participants would likely receive if they withdrew or transferred all or a portion of their investment in the contract. See Note 5 of Notes to Financial Statements for further discussion of events and circumstances that would limit the ability of the participant to transact at contract value.

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Newell Rubbermaid 401(k) Savings and Retirement Plan

Notes to Financial Statements (continued)

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

Notes Receivable from Participants

Notes receivable from participants are measured at amortized cost, which represents unpaid principal balance plus accrued but unpaid interest. Interest income from notes receivable from participants is recorded on an accrual basis. Related fees are recorded as administrative expenses when they are incurred. No allowance for credit losses has been recorded as of December 31, 2012 or 2011. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded within the Statement of Changes in Net Assets Available for Benefits.

Administrative Expenses

All normal costs and expenses of administering the Plan and trust are paid by the Plan's participants. Any cost resulting from a participant obtaining a loan or requesting a distribution or in-service withdrawal may be borne by such participant or charged to the participant's individual account. Administrative expenses in the Statement of Changes in Net Assets Available for Benefits includes costs associated with these participant-initiated loan and withdrawal transactions, which are allocated to the accounts of the participants initiating the transactions, as well as fees assessed by the Plan's custodian and recordkeeper directly against participant accounts as consideration for services provided to the Plan.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Management believes that the estimates utilized in preparing the Plan's financial statements are reasonable and prudent. Actual results may differ from those estimates.

Fair Value Measurements and Disclosures

In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures , assets and liabilities measured at fair value are categorized into the following fair value hierarchy:

Level 1: Fair value is based on observable inputs such as quoted prices for identical assets or liabilities in active markets.

Level 2: Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3: Fair value is based on unobservable inputs that reflect management's own assumptions. The fair values estimated and derived from each fair value calculation may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Recently Adopted Accounting Pronouncements

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In May 2011, the FASB issued Accounting Standards Update 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards (ASU 2011-04). ASU 2011-04 amended ASC 820 to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 changes certain fair value measurement principles and requires enhanced disclosures, particularly for Level 3 fair value measurements. ASU 2011-04 is effective for the Plan prospectively beginning with the year ended December 31, 2012. The Plan adopted ASU 2011-04, and there was no impact to the financial statements or the disclosures as a result of adopting ASU 2011-04.

Table of Contents**Newell Rubbermaid 401(k) Savings and Retirement Plan****Notes to Financial Statements (continued)****3. Fair Value Measurements**

The following tables present the Plan's investments which are measured at fair value on a recurring basis as of December 31, 2012 and 2011:

	Fair Value at December 31, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Company stock (1)	\$ 57,082,053	\$ 57,082,053	\$	\$
Mutual funds (1)				
Balanced Funds	127,328,034	127,328,034		
Fixed Income	66,197,842	66,197,842		
International Equity	59,786,025	59,786,025		
Common/collective trust funds (2)				
Large Cap Equity	182,281,161		182,281,161	
Mid Cap Equity	5,459,983		5,459,983	
Small Cap Equity	89,715,455		89,715,455	
Intermediate Term Bond	5,229,073		5,229,073	
International Equity	3,758,899		3,758,899	
INVESCO Stable Value Fund (3)	194,685,578		194,610,154	75,424
Self-directed brokerage accounts (4)	6,475,746	4,134,175	2,341,571	
Cash and cash equivalents	989,787	989,787		
Total investments measured at fair value	\$ 798,989,636	\$ 315,517,916	\$ 483,396,296	\$ 75,424

- (1) The fair value of the Plan's mutual fund and common stock investments is determined on the basis of quoted prices in an active market. Shares of mutual funds are valued at the net asset value of shares held by the Plan on the last business day of the Plan year where the price of the fund is quoted in an active market. Accordingly, these investments have been classified as Level 1.
- (2) The investments underlying the Plan's common/collective trust fund investments generally include shares of common stock and fixed income investments whose values are determined on the basis of quoted prices in an active market. The Plan's common/collective trust fund investments are valued based on the net asset value per share or unit as reported by the fund manager, multiplied by the number of shares or units held as of the measurement date. Accordingly, these investments have been classified as Level 2 investments.
- (3) The Fund is comprised of common/collective trust funds (\$181,531,092), short-term interest fund (\$13,079,062), and wrapper contracts (\$75,424). The common/collective trust fund investments underlying the Fund include investments in government, agency and high quality corporate bonds. Investments in common/collective trust funds and the short-term interest fund are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date and, accordingly, have been classified as Level 2 investments. The primary input used to value the wrapper contracts is interest rates for comparable instruments with similar maturities with counterparties of similar credit standing. These interest rates are used to discount the estimated future cash flows associated with the investments to determine fair value. Accordingly, these investments have been classified as Level 3 investments. See Note 2 and Note 5 for further information regarding the Fund.
- (4) The self-directed brokerage accounts balance is comprised of common stock investments (\$3,286,126), mutual fund investments (\$848,049), investments in a short-term interest fund (\$1,977,406) and other investments (\$364,165). The fair value of the mutual fund and common stock investments is determined on the basis of quoted prices in an active market. Accordingly, these investments have been classified as Level 1. Investments in the short-term interest fund are valued at the net asset value per share or unit

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multiplied by the number of shares or units held as of the measurement date and, accordingly, have been classified as Level 2 investments.

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	Fair Value at December 31, 2011	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Company stock (5)	\$ 44,556,992	\$ 44,556,992	\$	\$
Mutual funds (5)				
Large Cap Equity	88,059,175	88,059,175		
Balanced Funds	102,777,302	102,777,302		
Fixed Income	58,168,470	58,168,470		
International Equity	54,100,977	54,100,977		
Common/collective trust funds (6)				
Large Cap Equity	82,071,964		82,071,964	
Mid Cap Equity	3,245,933		3,245,933	
Small Cap Equity	85,310,473		85,310,473	
Intermediate Term Bond	3,947,104		3,947,104	
International Equity	2,258,008		2,258,008	
INVESCO Stable Value Fund (7)	201,875,514		201,614,350	261,164
Self-directed brokerage accounts (8)	6,316,230	4,181,570	2,134,660	
Cash and cash equivalents	133,378	133,378		
Total investments measured at fair value	\$ 732,821,520	\$ 351,977,864	\$ 380,582,492	