

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Ecoark Holdings, Inc.

Form: 8-K

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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): **September 27, 2017 (September 21, 2017)**

Ecoark Holdings, Inc.

(Exact Name of Registrant as Specified in Charter)

Nevada

(State or other jurisdiction
of incorporation)

000-53361

(Commission File Number)

30-0680177

(IRS Employer
Identification No.)

3333 S. Pinnacle Hills Parkway, Suite 220, Rogers AR

(Address of principal executive offices)

72758

(Zip Code)

Registrant's telephone number, including area code: (479) 259-2977

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

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 21, 2017, the Board of Directors (the “Board”) of Ecoark Holdings, Inc. (the “Company”) appointed Randy May as the Company’s Chief Executive Officer, effective on October 1, 2017. Mr. May, 53, is currently the Chairman of the Board, and previously served as the Company’s Chief Executive Officer. Any information regarding Mr. May required by Items 401(b), (d), (e) and Item 404(a) of Regulation S-K was disclosed in the Company’s proxy statement filed with the Securities and Exchange Commission (the “Commission”) on May 1, 2017, and is incorporated herein by reference.

In connection with Mr. May’s appointment as Chief Executive Officer, the Company and Mr. May entered into an employment agreement (the “Employment Agreement”) that commences on October 1, 2017. Pursuant to the Employment Agreement, Mr. May will receive an annual salary of \$200,000. Upon the achievement of positive cash flow from operations for two consecutive quarters, his annual salary will increase to \$350,000. Mr. May will also be reimbursed for reasonable, documented expenses incurred by him in the performance of his duties as Chief Executive Officer. Mr. May is also eligible to participate in the Company’s regular health insurance and other employee benefit plans established by the Company for its employees from time to time. The Employment Agreement has no specified term. Mr. May’s employment is on an at-will basis and his employment may be terminated at any time at his option or at the option of the Company. If Mr. May’s employment is terminated for any reason, the Employment Agreement will terminate without further obligation or payment of severance benefits to Mr. May, except that the Company would have the obligation to pay him any compensation earned, and any approved business expenses incurred, through the date of termination. The foregoing description of the Employment Agreement is a summary, does not purport to be complete, and is qualified in its entirety by the complete text of the Employment Agreement.

Upon effectiveness of Mr. May’s appointment as Chief Executive Officer, Jay Puchir, who is currently serving as the Company’s President and Chief Executive Officer, will become the Company’s Chief Financial Officer and Treasurer and cease serving as President and Chief Executive Officer. Mr. Puchir, 41, previously served as the Company’s Treasurer, Secretary, and Director of Finance. There will be no changes in Mr. Puchir’s compensation as a result of the appointment. Any information regarding Mr. Puchir required by Items 401(b), (d), (e) and Item 404(a) of Regulation S-K was disclosed in the Company’s proxy statement filed with the Commission on May 1, 2017, and is incorporated herein by reference.

On September 25, 2017, the Board appointed Peter Mehring as the Company’s President, effective October 1, 2017. Mr. Mehring, 55, is a member of the Board and currently serves as Chief Executive Officer and President of Zest Labs, Inc., a subsidiary of the Company, and has served in that role since July 2009. There will be no changes in Mr. Mehring’s compensation as a result of the appointment. Any information regarding Mr. Mehring required by Items 401(b), (d), (e) and Item 404(a) of Regulation S-K was disclosed in the Company’s proxy statement filed with the Securities and Exchange Commission on May 1, 2017, and is incorporated herein by reference.

Also on September 25, 2017, Charles Rateliff notified the Company that he will voluntarily relinquish his positions as Chief Financial Officer and Treasurer, and as a member of the Board, effective October 1, 2017. Following his departure, Mr. Rateliff will continue as an advisor to the Company. Mr. Rateliff’s decision to relinquish his positions was not due to any disagreement with the Company on any matter relating to the Company’s operations, policies or practices.

Item 7.01 Regulation FD Disclosure.

On September 26, 2017, the Company issued a press release announcing certain business updates, including the management changes disclosed in Item 5.02 of this Current Report on Form 8-K. A copy of the press release is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

The information contained in this Item 7.01, including the exhibit attached hereto and incorporated herein by reference, is being “furnished” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth in any such filing by specific reference.

Item 9.01 Financial Statements and Exhibits.

(d)

Exhibits

The following exhibit is filed with this report:

Exhibit No.	Description
99.1	Press Release issued by Ecoark Holdings, Inc., dated September 26, 2017.

SIGNATURE

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.

ECOARK HOLDINGS, INC.

By: /s/ Stephen Dacus

Name: Stephen Dacus

Title: General Counsel

Dated: September 27, 2017

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release issued by Ecoark Holdings, Inc., dated September 26, 2017



Ecoark Holdings Announces New Corporate Strategy, Will Rebrand as Zest Technologies

Company to Focus Solely on Zest Opportunity and Explore Divesting All Non-Core Holdings

Rogers, Ark. and San Jose, Calif – September 26, 2017 – Ecoark Holdings, Inc. (“Ecoark”) (OTCQX: EARK) today announced that its Board of Directors has unanimously approved a new corporate strategy and management change. The company is transitioning from a diversified holding company into a company focused solely on its Zest Labs asset. Zest Labs provides a growing suite of freshness management solutions that substantially improve quality consistency and drive sustainability for a wide range of clients that are searching for a solution to the \$161 Billion amount of food loss the U.S. experiences each year. The Company previously announced that it was exploring strategic opportunities related Zest Labs. As a result of this effort, the Board unanimously determined the best approach was for Ecoark to rebrand all aspects of its company to Zest – including renaming the Company “Zest Technologies,” and changing its stock ticker symbol from EARK to ZEST – in the coming months.

As a result of the new focus and related corporate strategy changes:

- Ecoark Founder and Chairman Randy May has rejoined the company full-time and has been named CEO
- Jay Puchir, current CEO of Ecoark, has been appointed CFO
- Charles Rateliff, current CFO of Ecoark, will transition to a company advisor
- Peter Mehring, CEO of Zest Labs, has been named President of Ecoark in anticipation of rebranding to Zest Technologies. Mehring will remain CEO of Zest Labs
- The company will explore divesting all non-core holdings and will appropriate all proceeds toward working capital for Zest Technologies

“After extensive exploration of all strategic options related to Zest Labs, including a potential spin-off of the company, it became clear that the best way to ensure maximum shareholder value and capitalize on our main asset was to make it our sole focus,” stated Randy May. “By focusing solely on Zest and our mission of modernizing the fresh food supply chain through technology, everyone is 100 percent aligned and focused on driving revenue from retail grocers, their key suppliers and their distribution partners to ensure we maximize the huge market opportunity in front of us.”

Zest Labs enables retailers to significantly reduce fresh food spoilage by providing a growing suite of proprietary solutions and technologies that drive efficiency and sustainability through improved quality consistency. The company is poised to lead the agriculture and supply chain industries with cloud-based software solutions, helping farmers, distributors and grocers substantially reduce the 31 percent food waste problem currently burdening the post-harvest fresh food industry.

"Everyone we talked to through this process – from bankers and equity analysts to customers and potential suitors – affirmed our belief that the fresh food supply chain is ripe to be disrupted through digital transformation. The market opportunity is now," stated Peter Mehring. "With these corporate strategy changes, and the financial vehicles we're retaining from the former holding company model, we now have the resources and focus to help growers and retailers dramatically improve customer satisfaction by ensuring the freshness and quality of their produce, while also helping them realize substantial cost savings by reducing food waste."

Zest Labs is modernizing the post-harvest fresh food processing and distribution industry by delivering six sigma process management in an approachable and scalable service. The company's Zest Fresh™ solution is a breakthrough approach to quality management of post-harvest fresh food that substantially reduces food loss and waste by improving quality consistency. Zest Fresh addresses quality consistency shortcomings by combining cloud, mobile and cost-effective, item-level monitoring technology with real-time predictive and prescriptive analytics. With Zest Fresh, growers, distributors and retailers improve quality consistency, profitability and sustainability while reducing waste.

"I would also like to thank Charles Rateliff for his service and dedication to improving the financial framework of Ecoark prior to this pre-planned transition. Charles will continue to mentor myself and the rest of the executive team as an advisor to the company," stated Randy May.

About Ecoark Holdings, Inc. and Zest Labs

Founded in 2011, Ecoark currently has five subsidiaries: Zest Labs, 440Labs, Pioneer Products, Sable Polymer Solutions and Magnolia Solar. Zest Labs provides a growing suite of freshness management solutions that substantially improve quality consistency and drive sustainability for a wide range of clients. Zest Labs provides solutions to modernize the existing food distribution and delivery system by significantly increasing efficiency through continuous condition monitoring and real-time prescriptive analytics. To learn more about Zest Labs, please [click here](#). To watch a video about Zest Fresh, please [click here](#).

Forward Looking Statements

This release contains forward-looking statements, including, without limitation, statements concerning the business and possible or assumed future results of operations of Ecoark Holdings, Inc. and its subsidiaries; statements concerning the possible or assumed ability of Zest Labs to accelerate its growth, lead the industry, and broaden its opportunities; statements concerning the possible or assumed ability of Zest Labs to reduce fresh food spoilage and improve quality consistency, efficiency, profitability, and sustainability; and statements about the potential impacts of completing planned corporate strategy change initiatives and management changes. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons, including but not limited to: access to growth capital on favorable terms; adverse economic changes affecting markets we serve; competition in our markets and industry segments; our timing and the profitability of entering new markets; greater than expected costs, customer acceptance of our products, or difficulties related to our integration of the businesses we may acquire; and other risks and uncertainties as may be detailed from time to time in our public announcements and SEC filings. Although we believe the expectations reflected in the forward-looking statements are reasonable, they relate only to events as of the date on which the statements are made, and our future results, levels of activity, performance, or achievements may not meet these expectations. We do not intend to update any of the forward-looking statements after the date of this document to conform these statements to actual results or to changes in our expectations, except as required by law.

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