

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 13, 2018

**CTI INDUSTRIES CORPORATION**

(Exact name of registrant as specified in its charter)

Illinois

(State or other jurisdiction of incorporation)

**000-23115**

(Commission File Number)

**22160 N. Pepper Road Lake Barrington, Illinois**

(Address of principal executive offices)

**36-2848943**

(IRS Employer Identification No.)

**60010**

(Zip Code)

Registrant's telephone number, including area code: **(847) 382-1000**

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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 13, 2018, the Company issued a press release. A copy of the Press Release is furnished as Exhibit 99.1 to this report, and is incorporated herein by reference. The information in Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item No. 9.01 – Financial Statements and Exhibits**

(d) Exhibits:

Exhibit No.

Exhibit

99.1\*

[Press Release issued by CTI Industries Corporation dated December 13, 2018, captioned: “CTI INDUSTRIES ANNOUNCES INTENT TO DIVEST OPERATING AND ECONOMIC INTEREST IN CLEVER CONTAINER LLC.”](#)

\*Filed herewith

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, CTI Industries Corporation has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, in the Village of Lake Barrington, Illinois, December 13, 2018.

CTI INDUSTRIES CORPORATION

By: /s/ Jeffrey S. Hyland

Jeffrey S. Hyland, Chief Executive Officer and  
President

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Exhibit Number

99.1

**EXHIBIT INDEX**

Description

Press Release issued by CTI Industries Corporation dated December 13, 2018, captioned:

“CTI INDUSTRIES ANNOUNCES INTENT TO DIVEST OPERATING AND ECONOMIC INTEREST IN CLEVER CONTAINER LLC.”

## NEWS RELEASE

FOR IMMEDIATE RELEASECTI INDUSTRIES ANNOUNCES INTENT TO DIVEST OPERATING AND ECONOMIC INTEREST IN CLEVER CONTAINER LLC

Lake Barrington, IL – December 13, 2018 – CTI Industries Corporation (NASDAQ: CTIB) (“CTI” or “the Company”), a manufacturer and global marketer of novelty balloons, vacuum and flexible packaging and storage products, printed and laminated films, party goods, Candy Blossoms, and home container products, today announced its intention to divest its operating and economic interest in Clever Container LLC (“Clever”), a direct-to-consumer home organization and container products company in which CTI has a 28.5% ownership interest. This planned divestiture is expected to occur during 2019.

“Over the last 18 months, CTI’s management team has undertaken a series of initiatives that have placed us on a path for improved performance in 2018 and beyond,” said Jeffrey S. Hyland, President and recently appointed CEO of CTI. “As we drive towards sustainable growth and operational excellence, we continue to examine all facets of CTI’s business model. Although Clever has grown its revenue base over the last five years and sells quality and affordable products, its hoped-for sales synergies with CTI were never fully realized and it is not strategically significant to our current business and growth plans. As such, we believe that it is the appropriate time to divest, thus simplifying our corporate structure and allowing us to focus our resources on CTI’s core assets and areas of expertise.”

For the year ended December 31, 2017, Clever accounted for less than 10% of CTI’s total sales and generated a modest operating loss.

Clever has announced that as of December 16, 2018, it will cease its direct selling operations and change its go-to market strategy by utilizing an online sales platform. CTI has consolidated the results of Clever as a Variable Interest Entity (VIE) since 2013 and intends to reduce these elements with the goal of fully exiting its equity investment by the end of 2019. This reduction will occur in connection with Clever’s new online sales platform, which CTI will monitor to ensure maximum recovery on its investment and receivables.

**About CTI**

CTI Industries Corporation is one of the leading manufacturers and marketers of foil and latex balloons, develops, produces and markets vacuum sealing systems for household use, and produces laminated and printed films for commercial uses. CTI also distributes products for home organization and storage, Candy Blossoms and other gift items, and, in Mexico, party goods. CTI markets its products throughout the United States and in a number of other countries.

**Forward Looking Statements**

Statements made in this release that are not historical facts are "forward-looking" statements (within the meaning of Section 21E of the Securities Exchange Act of 1934) that involve risks and uncertainties and are subject to change at any time. These "forward-looking" statements may include, but are not limited to, statements containing words such as "may," "should," "could," "would," "expect," "plan," "goal," "anticipate," "believe," "estimate," "predict," "potential," "continue," or similar expressions. We have based these forward-looking statements on our current expectations and projections about future results. Although we believe that our opinions and expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements, and our actual results may differ substantially from statements made herein. More information on factors that could affect CTI's business and financial results are included in its public filings made with the Securities and Exchange Commission, including its Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

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**FOR ADDITIONAL INFORMATION PLEASE CONTACT:**

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