

USANA HEALTH SCIENCES INC
Form 10-Q
November 10, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 2, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 0-21116

USANA HEALTH SCIENCES, INC.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction
of incorporation or organization)

87-0500306
(I.R.S. Employer
Identification No.)

3838 West Parkway Blvd., Salt Lake City, Utah 84120

(Address of principal executive offices, Zip Code)

(801) 954-7100

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the registrant's common stock as of November 5, 2010 was 15,968,838.

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USANA HEALTH SCIENCES, INC.

FORM 10-Q

For the Quarterly Period Ended October 2, 2010

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Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS**

(in thousands)

	As of January 2, 2010 (1)	As of October 2, 2010 (unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 13,658	\$ 22,928
Inventories	25,761	32,605
Prepaid expenses and other current assets	10,391	15,155
Deferred income taxes	2,116	2,622
Total current assets	51,926	73,310
Property and equipment, net	57,241	58,327
Goodwill	5,690	16,930
Intangible assets, net		40,872
Other assets	8,581	12,086
	\$ 123,438	\$ 201,525
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 5,810	\$ 8,485
Line of credit - short term		19,000
Other current liabilities	34,668	43,017
Total current liabilities	40,478	70,502
Line of credit - long term	7,000	
Other long-term liabilities	1,587	1,076
Stockholders' equity		
Common stock, \$0.001 par value; Authorized 50,000 shares, issued and outstanding 15,309 as of January 2, 2010 and 15,760 as of October 2, 2010	15	16
Additional paid-in capital	16,425	43,705

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Retained earnings	56,410	83,272
Accumulated other comprehensive income	1,523	2,954
Total stockholders' equity	74,373	129,947
	\$ 123,438	\$ 201,525

(1) Derived from audited financial statements.

The accompanying notes are an integral part of these statements.

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USANA HEALTH SCIENCES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(U.S. dollars in thousands, except per share data)

(unaudited)

	Quarter Ended	
	October 3, 2009	October 2, 2010
Net sales	\$ 110,764	\$ 135,006
Cost of sales	22,637	25,157
Gross profit	88,127	109,849
Operating expenses:		
Associate incentives	50,799	60,560
Selling, general and administrative	25,414	30,751
Total operating expenses	76,213	91,311