

USANA HEALTH SCIENCES INC

Form 10-Q

May 12, 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 April 3, 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

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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 May 3, 2010 was 15,317,141.

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FORM 10-Q

For the Quarterly Period Ended April 3, 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 April 3, 2010 (unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 13,658	\$ 21,523
Inventories	25,761	27,404
Prepaid expenses and other current assets	10,391	9,487
Deferred income taxes	2,116	2,217
Total current assets	51,926	60,631
Property and equipment, net	57,241	56,625
Goodwill	5,690	5,690
Other assets	8,581	9,106
	\$ 123,438	\$ 132,052
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 5,810	\$ 5,396
Other current liabilities	34,668	38,764
Total current liabilities	40,478	44,160
Line of credit	7,000	
Other long-term liabilities	1,587	1,526
Stockholders' equity		
Common stock, \$0.001 par value; Authorized 50,000 shares, issued and outstanding 15,309 as of January 2, 2010 and 15,317 as of April 3, 2010	15	15
Additional paid-in capital	16,425	18,478
Retained earnings	56,410	66,051

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Accumulated other comprehensive income	1,523	1,822
Total stockholders' equity	74,373	86,366
	\$ 123,438	\$ 132,052

(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

(in thousands, except per share data)

(unaudited)

	Quarter Ended	
	April 4, 2009	April 3, 2010
Net sales	\$ 97,299	\$ 119,087
Cost of sales	19,846	23,020
Gross profit	77,453	96,067
Operating expenses:		
Associate incentives	41,890	54,118
Selling, general and administrative	25,330	27,458
Total operating expenses	67,220	81,576
Earnings from operations	10,233	14,491