

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):
October 22, 2013

USANA HEALTH SCIENCES, INC.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of incorporation)

0-21116
(Commission File No.)

87-0500306
(IRS Employer Identification
Number)

3838 West Parkway Boulevard
Salt Lake City, Utah 84120
(Address of principal executive offices, Zip Code)
Registrant's telephone number, including area code: (801) 954-7100

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))
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Item 2.02 Results of Operations and Financial Condition.

On October 22, 2013, USANA Health Sciences, Inc. issued a press release announcing its financial results for the third quarter and nine months ended September 28, 2013. The release also announced that executives of the company would discuss these results with investors on a conference call broadcast over the World Wide Web and by telephone and provided access information, date and time for the conference call. A copy of the press release is furnished herewith as Exhibit 99 to this Current Report on Form 8-K and is incorporated herein by reference. The company will also post this document on its corporate website, www.usanahealthsciences.com.

The information in this Current Report is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended. The furnishing of the information in this Current Report is not intended to, and does not, constitute a representation that such furnishing is required by Regulation FD or that the information this Current Report contains is material investor information that is not otherwise publicly available.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit 99 Press release issued by USANA Health Sciences, Inc. dated October 22, 2013 (furnished herewith).

SIGNATURES

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 hereunto duly authorized.

USANA HEALTH SCIENCES, INC.

By: /s/ Paul A. Jones

Paul A. Jones, Chief Financial Officer

Date: October 22, 2013

USANA Health Sciences Announces Third Quarter Financial Results

- *Net sales increased by 5.2% to \$173.7 million*
- *Previously announced strategies implemented in second and third quarter result in 4.2% decrease in net earnings; EPS decreased 1.7% to \$1.16*
- *Company provides updated 2013 net sales and earnings growth outlook*

SALT LAKE CITY--(BUSINESS WIRE)--October 22, 2013--USANA Health Sciences, Inc. (NYSE: USNA) today announced financial results for its fiscal third quarter ended September 28, 2013.

Financial Performance

For the third quarter of 2013, net sales increased by 5.2% to \$173.7 million, compared with \$165.2 million in the prior-year period. The growth in net sales was driven by increases in both the Company's Asia Pacific and North America/Europe regions. Net sales for the quarter were negatively impacted by: (i) an estimated \$5.9 million due to the worldwide policy changes that the Company implemented at the end of the second quarter of this year, which require customers to purchase products in their home markets; (ii) \$4.6 million due to the strategic price discounts that the Company announced at its International Convention in August and earlier this year; and (iii) \$2.0 million due to changes in currency exchange rates.

Net earnings for the third quarter decreased by 4.2% to \$16.8 million, compared with the prior-year period. This decrease was due primarily to higher Associate Incentives expense, attributable to the enhancements that the Company made to its Associate Compensation Plan at its August 2013 International Convention. Additionally, the effective tax rate for the third quarter was 420 basis points, or \$1.0 million, higher than the previous year, due primarily to one-time tax benefits recognized in the third quarter of 2012. Earnings per share for the quarter decreased by 1.7% to \$1.16, compared with \$1.18 in the third quarter of the prior year. This decrease in earnings per share was attributable to lower net earnings, partially offset by a lower number of diluted shares outstanding from the Company's share repurchases during the 12 months ended September 29, 2013. Total diluted common shares outstanding as of September 28, 2013 were 14.4 million, compared with 14.9 million as of September 29, 2012.

"During the third quarter, we implemented a number of strategic initiatives at our 2013 International Convention," said Dave Wentz, the Company's Chief Executive Officer. "These initiatives, which include price reductions and enhancements to our Associate compensation plan, are intended to drive long-term, sustainable customer growth for USANA. The combination of these initiatives and the worldwide policy changes that we introduced in the second quarter had the meaningful impact that we anticipated on our third-quarter results. Although it is still early, these initiatives have already produced several anticipated positive results, including: (i) an increase of approximately 30% in our worldwide Auto Order sales; (ii) an increase of approximately 40% in the number of weekly commission checks earned by Associates; and (iii) an increase of approximately 30% in the number of first-time check earners with USANA. Going forward, we expect these initiatives to contribute to the growth of our worldwide customer counts."

Regional Results

Net sales in Asia Pacific increased by 4.6% to \$107.4 million, compared with \$102.7 million for the third quarter of the prior year. This improvement was due primarily to sales growth in the Southeast Asia Pacific region, which was driven by meaningful growth in Singapore and Malaysia. Sales in the Greater China region were flat, with significant growth in Mainland China and Taiwan, offset by a sales decrease in Hong Kong.

Net sales in North America/Europe increased by 6.1% to \$66.3 million, compared with \$62.5 million in the prior-year period. This improvement was due primarily to sales growth in Mexico and Canada, as well as the addition of our newest market, Colombia, which generated \$1.4 million in sales during its first quarter of operations. The sales growth in these markets reflected increases in both the number of Active Associates and Preferred Customers.

“The performance of our North America region reflects the momentum we are generating in Mexico, Canada and, most recently, Colombia,” continued Wentz. “Our results in Greater China were in line with our expectations, considering the worldwide policy changes that we implemented during the second quarter of this year. Our expectations for Greater China have not changed and our team continues to focus on growth in Mainland China. I am confident in the strength of our underlying business in all of our regions and believe that we have implemented the right strategies to drive long-term growth.”

The Company continued to generate significant cash from operations and ended the quarter with \$115.3 million in cash and cash equivalents. For the third quarter, cash generated from operations totaled \$17.3 million. During the quarter, the Company did not repurchase any shares of its common stock and ended the quarter with \$13.6 million remaining under the board authorized repurchase program.

Outlook

The Company provided the following updated consolidated net sales and earnings per share outlook for 2013:

- Consolidated net sales between \$705 million and \$710 million, versus the previous outlook of between \$700 and \$720 million
 - Earnings per share between \$5.35 and \$5.40, versus the previous outlook of between \$5.30 and \$5.45
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Chief Financial Officer, Paul Jones, commented, “We are tightening our guidance range as we head into the final quarter of 2013 and expect USANA to once again deliver record results in 2013. Although we expect continued pressure on our operating results for the next few quarters, we are confident that we will deliver growth during this period. More importantly, we believe that the strategies that we have implemented will increase our long-term growth potential.”

Conference Call

USANA will hold a conference call and webcast to discuss this announcement with investors on Wednesday, October 23, 2013 at 11:00 AM Eastern Time. **Investors may listen to the call by accessing USANA’s website at <http://www.usanahealthsciences.com>.**

About USANA

USANA develops and manufactures high-quality nutritional, personal care, and weight-management products that are sold directly to Associates and Preferred Customers throughout the United States, Canada, Australia, New Zealand, Hong Kong, China, Japan, Taiwan, South Korea, Singapore, Mexico, Malaysia, the Philippines, the Netherlands, the United Kingdom, Thailand, France, Belgium and Colombia. More information on USANA can be found at <http://www.usanahealthsciences.com>.

Safe Harbor

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. Our actual results could differ materially from those projected in these forward-looking statements, which involve a number of risks and uncertainties, including global economic conditions generally, reliance upon our network of independent Associates, the governmental regulation of our products, manufacturing and marketing risks, adverse publicity risks, and risks associated with our international expansion. The contents of this release should be considered in conjunction with the risk factors, warnings, and cautionary statements that are contained in our most recent filings with the Securities and Exchange Commission.

USANA Health Sciences, Inc.
Consolidated Statements of Earnings
(In thousands, except per share data)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	29-Sep-12	28-Sep-13	29-Sep-12	28-Sep-13
Net sales	\$ 165,175	\$ 173,691	\$ 480,196	\$ 531,909
Cost of sales	30,343	31,491	85,633	93,657
Gross profit	<u>134,832</u>	<u>142,200</u>	<u>394,563</u>	<u>438,252</u>
Operating expenses				
Associate incentives	70,406	76,361	209,316	224,017
Selling, general and administrative	40,342	41,145	115,150	126,527
Earnings from operations	<u>24,084</u>	<u>24,694</u>	<u>70,097</u>	<u>87,708</u>
Other income (expense)	267	76	177	(33)
Earnings before income taxes	<u>24,351</u>	<u>24,770</u>	<u>70,274</u>	<u>87,675</u>
Income taxes	6,861	8,017	22,288	28,933
NET EARNINGS	<u>\$ 17,490</u>	<u>\$ 16,753</u>	<u>\$ 47,986</u>	<u>\$ 58,742</u>
Earnings per share - diluted	<u>\$ 1.18</u>	<u>\$ 1.16</u>	<u>\$ 3.19</u>	<u>\$ 4.16</u>
Weighted average shares outstanding - diluted	<u>14,884</u>	<u>14,393</u>	<u>15,064</u>	<u>14,132</u>

USANA Health Sciences, Inc.
Consolidated Balance Sheets
(In thousands)
(Unaudited)

	As of	As of
	29-Dec-12	28-Sep-13
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 70,839	\$ 115,349
Inventories	36,481	45,671
Other current assets	25,225	35,105
Total current assets	<u>132,545</u>	<u>196,125</u>
Property and equipment, net	61,751	60,432
Goodwill	17,890	18,105
Intangible assets, net	42,085	42,078
Deferred income taxes	5,956	3,562
Other assets	7,128	11,031
Total assets	<u>\$ 267,355</u>	<u>\$ 331,333</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 7,040	\$ 8,061
Other current liabilities	63,804	74,474
Total current liabilities	<u>70,844</u>	<u>82,535</u>
Other long-term liabilities	938	1,127
Deferred income taxes	10,001	9,022
Stockholders' equity	185,572	238,649
Total liabilities and stockholders' equity	<u>\$ 267,355</u>	<u>\$ 331,333</u>

USANA Health Sciences, Inc.

Sales by Region

(Unaudited)

(In thousands)

<u>Region</u>	Quarter Ended			
	29-Sep-12		28-Sep-13	
North America / Europe	\$ 62,490	37.8%	\$ 66,294	38.2%
Asia Pacific				
Southeast Asia Pacific	35,709	21.6%	40,230	23.1%
Greater China	59,722	36.2%	59,768	34.4%
North Asia	7,254	4.4%	7,399	4.3%
Asia Pacific Total	102,685	62.2%	107,397	61.8%
Total	\$ 165,175	100.0%	\$ 173,691	100.0%

Active Associates by Region ⁽¹⁾

(Unaudited)

<u>Region</u>	As of			
	29-Sep-12		28-Sep-13	
North America / Europe	79,000	32.6%	82,000	33.5%
Asia Pacific				
Southeast Asia Pacific	58,000	24.0%	60,000	24.5%
Greater China	97,000	40.1%	94,000	38.3%
North Asia	8,000	3.3%	9,000	3.7%
Asia Pacific Total	163,000	67.4%	163,000	66.5%
Total	242,000	100.0%	245,000	100.0%

(1) Associates are independent distributors of our products who also purchase our products for their personal use. We only count as active those Associates who have purchased from us any time during the most recent three-month period, either for personal use or for resale.

Active Preferred Customers by Region ⁽²⁾

(Unaudited)

<u>Region</u>	As of			
	29-Sep-12		28-Sep-13	
North America / Europe	52,000	81.3%	58,000	81.7%
Asia Pacific				
Southeast Asia Pacific	6,000	9.4%	8,000	11.3%
Greater China	5,000	7.8%	3,000	4.2%
North Asia	1,000	1.6%	2,000	2.8%

Asia Pacific Total	12,000	18.8%	13,000	18.3%
Total	<u>64,000</u>	<u>100.0%</u>	<u>71,000</u>	<u>100.0%</u>

(2) Preferred Customers purchase our products strictly for their personal use and are not permitted to resell or to distribute the products. We only count as active those Preferred Customers who have purchased from us any time during the most recent three-month period.

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