

**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 7, 2011



U.S. AUTO PARTS NETWORK, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-33264
(Commission
File Number)

68-0623433
(IRS Employer
Identification No.)

17150 South Margay Avenue, Carson, CA 90746
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (310) 735-0092

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))

Item 7.01. Regulation FD Disclosure.

On December 8, 2011, U.S. Auto Parts Network, Inc. (the "Company") will be meeting with certain investors and others in one-on-one meetings regarding the Company. The information to be disclosed during these meetings is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits. The following exhibit is filed with this Current Report on Form 8-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation of U.S. Auto Parts Network, Inc.

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.

Dated: December 7, 2011

U.S. AUTO PARTS NETWORK, INC.

By: /s/ THEODORE R. SANDERS

Theodore R. Sanders
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation of U.S. Auto Parts Network, Inc.

U.S. Auto Parts Network, Inc.

Leading online source for automotive aftermarket parts and repair information



Investor Presentation

December 2011

This presentation may contain certain forward-looking statements and management may make additional forward-looking statements in response to your questions. These statements do not guarantee future performance and speak only as of the date hereof, and qualify for the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933. We refer all of you to the risk factors contained in US Auto Parts Annual Report on Form 10-K and quarterly reports on Form 10-Q filed with the Securities and Exchange Commission, for more detailed discussion on the factors that can cause actual results to differ materially from those projected in any forward-looking statements.

US Auto Parts is a dominant e-commerce specialty retailer of aftermarket auto parts to the Do It Yourself market and is uniquely positioned to win.

Low Cost Acquisition

Reach over 13mm monthly visitors at a less than a \$10 CAC.



Efficient Supply Chain

Over 30% of product directly sourced from Asia.



Significant Capacity

Over 70% of corporate employees located in off shore low cost operations.



Incremental revenue above current levels has incremental EBITDA flow thru of 15% - 20%

US Auto Parts History



1995 Founded and serviced local body shops in Los Angeles

2000 Launched first internet site selling automotive **Body Parts**

2000-2005 Launched a network of sites catered to consumer segments

2006 Acquired PartsBin - **Engine**

IPO (NASDAQ: PRTS), hired new CEO **2007**

Launched a network of sites catered to consumer segments **2008-2009**
2008 – Rev \$153mm, Adj EBITDA \$5mm
2009 – Rev \$176mm, Adj EBITDA \$13mm

Launched AutoMD, Acquired JC Whitney – **Accessories** **2010**
2010 – Rev \$262mm, Adj EBITDA \$19mm

Completed integration of JC Whitney
Analyst Est. Rev \$328mm, Adj EBITDA \$18mm **2011**

Broad Product Offering Unavailable from Traditional Off-Line Retailers



Engine Parts



Performance & Accessories



Body Parts



USAP Revenue 44%

28%

28%

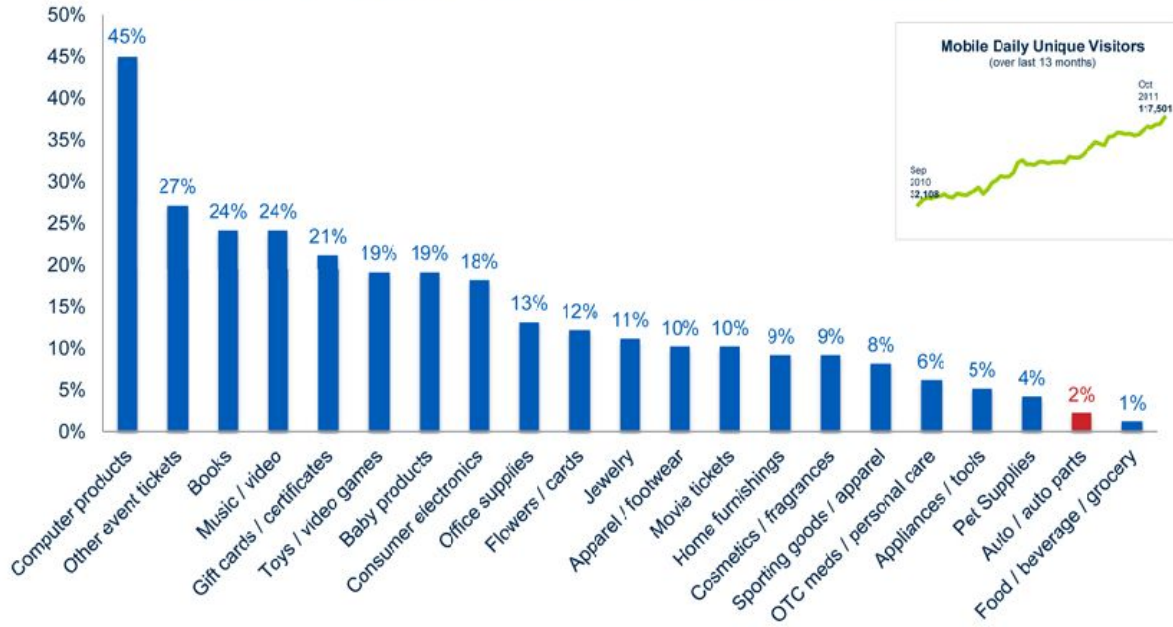
Overall Market* \$50B

\$15B

\$15B

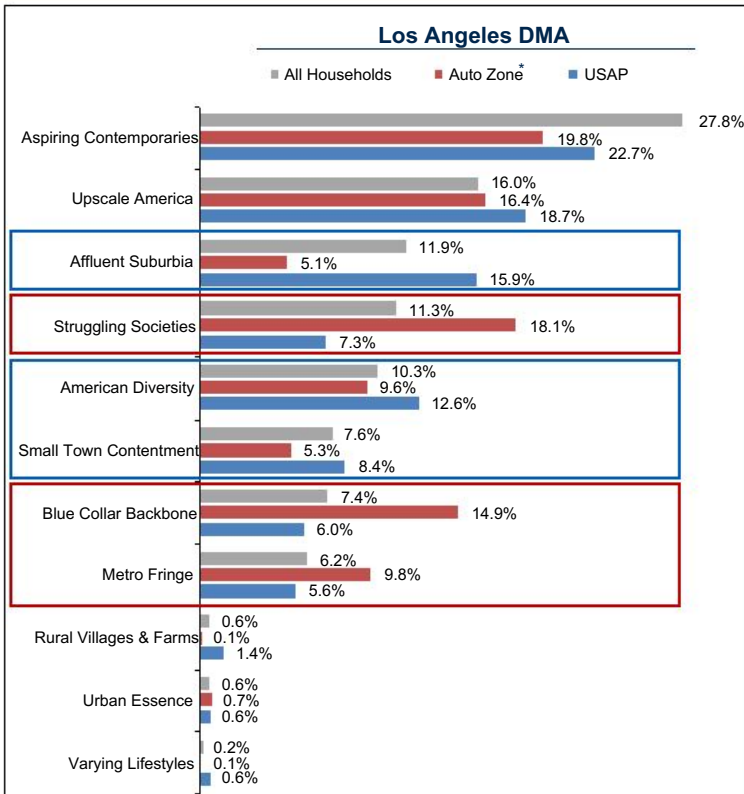
*Source: AIA Factbook Research

Retail Category e-Commerce Penetration Rates



Source : Forrester; Wall Street research; Autopartwarehouse.com

Online vs. Brick and Mortar Customer – Mobile Growth Should Accelerate Penetration



*Auto zone distribution reflects population in zip codes of Auto Zone store locations
 **Sources: 2008 Census estimates; autozone.com; MOSAIC lifestyle segments

Compared to AutoZone and the general population, USAP customers over-index in affluent segments, typical of e-commerce shoppers

Affluent Suburbia

The wealthiest households in the U.S. living in exclusive suburban neighborhoods enjoying the best of everything that life has to offer

Small Town Contentment

Middle-aged, upper-middle-class families living in small towns and satellite cities with moderate educations employed in white-collar, blue-collar and service professions

American Diversity

A diverse group of ethnically mixed singles and couples, middle-aged and retired with middleclass incomes from blue-collar and service industry jobs

In contrast, AutoZone store locations over-index in areas with lower income, blue collar households

Struggling Societies

Young minorities, students and single parents trying to raise families on low-level jobs in manufacturing, health care and food services

Blue Collar Backbone

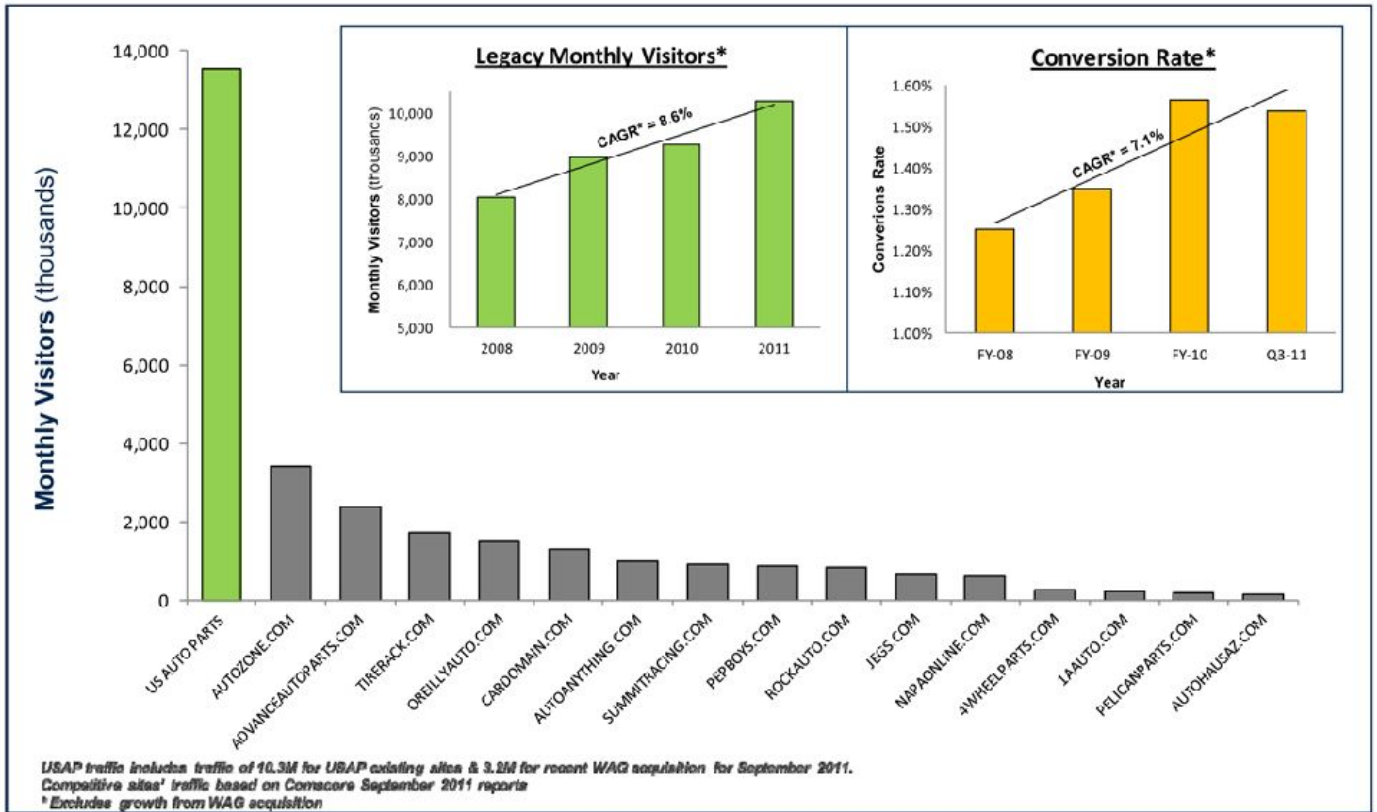
Budget-conscious, young and old blue-collar households living in older towns working in manufacturing, construction and retail trades

Metro Fringe

Racially mixed, lower-middle-class clusters in older single-family homes, semi-detached houses and low-rise apartments in satellite cities

US Auto Parts Dominant Reach- Largest Pure Play Internet Retailer

(some overlap of monthly visitors across websites)



Pricing Competitive Advantage Through Supply Chain Efficiencies



Product margin/price competitiveness determined more by sourcing strategy than product categories. Current margins range from 32% -34%.

Margin %

	In-Stock	Drop Ship	Current	Goal
Private Label (Asia Sourced)	50% - 70%		30%	50%
Branded (US Sourced)	25% - 40%	15% - 30%	70%	↑ 50%
Current Mix	50%	50%		

Goal





Low Cost Operating Structure Reduces Overhead and Enables Scale



Corporate Functions

Job functions are shared between the US and Philippines with a majority of the work being performed in the Philippines.

		
Acquisition/Retention Marketing	✓	✓
Website Product Development	✓	✓
Call Center Operations	✓	✓
Product Sourcing	✓	✓
Catalog	✓	✓
Finance	✓	✓
Accounting	✓	✓
Analysis	✓	✓
IT	✓	✓
HR	✓	✓
Total Corporate Employees	320	1,056

Distribution Centers

Carson, California (150,000 sq. ft.)	106	
Chesapeake, Virginia (110,000 sq. ft)	90	
LaSalle, Illinois (300,000 sq. ft)		99
Total Distribution Employees	196	99

Revenue Growth

- 1) **Improve Customer Experience**
 - Continue to improve all customer touch points
- 1) **Lower Prices**
 - Launch disruptive price points through supply chain efficiencies
- 2) **Increase Selection**
 - Expand product offering within existing categories as well as entering new categories
- 3) **Increase Unique Visitors**
 - Drive increase unique visitors both organically and through acquisitions
- 4) **Be the Consumer Advocate for Auto Repair**
 - Reduce consumer spending on vehicle repair by billions of dollars

EBITDA Margin % Expansion

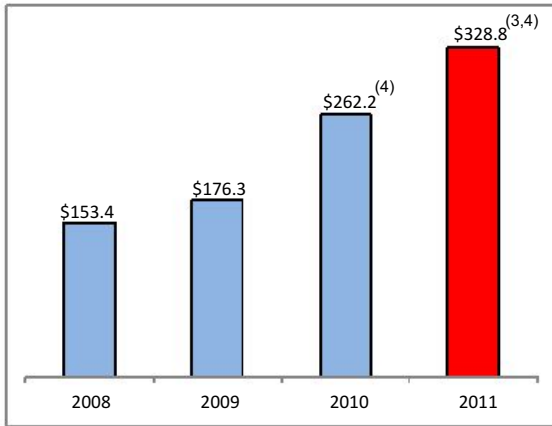
- 1) **Increase Gross Margins**
 - Expand Private Label direct import SKU's
 - Increase stock shipments of Branded product
- 2) **Leverage Revenue Growth**
 - Every incremental dollar yields 15% 20% EBITDA flow thru
- 3) **Monetize Web Traffic**
 - Sell advertising and sponsorship on new inventory

Sales & Adjusted EBITDA



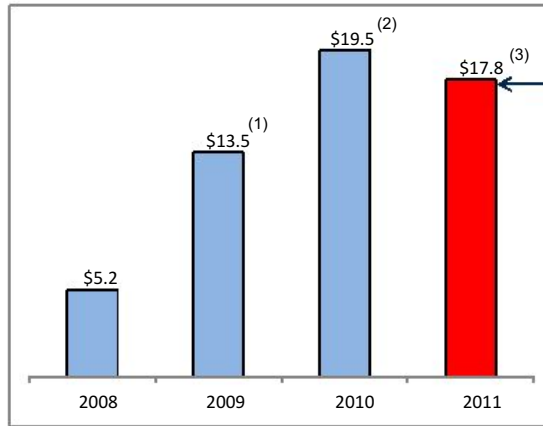
Consolidated Sales

(\$ In Millions)



Consolidated Adjusted EBITDA

(\$ In Millions)



Year Impacted by:

- Search engine changes impacting high converting sites.
- Resolution anticipated in 2H 2012
- JCW Acquisition
- Integration competed in Q4 2011 & anticipate return to profitability

3% 8% 10% 5%
Adj. EBITDA Margin

1. Excludes legal cost associated with protecting our intellectual property.
2. Excludes legal cost associated with protecting our intellectual property, one time charge for revenue recognition change, and acquisition costs
3. Analysts Estimates for FY-11. Source – Yahoo
4. Includes a sales increase of approximately \$38.6 million and \$40.0 million in 2010 and 2011, respectively from partial and full year's results related to the acquisition of J.C. Whitney

Financial Sensitivity



Our business model has significant cost leverage as revenues grow

(millions\$)

Growth	Base	10%	20%	30%	40%	50%
Revenue	\$325	\$358	\$390	\$423	\$455	\$488
Gross Margin	31% - 34%	31% - 34%	31% - 34%	31% - 34%	31% - 34%	31% - 34%
Variable:						
Fulfillment	2%	2%	2%	2%	2%	2%
Marketing	9%	9%	9%	9%	9%	9%
Technology	1%	1%	1%	1%	1%	1%
G&A	2%	2%	2%	2%	2%	2%
Total Variable	14%	14%	14%	14%	14%	14%
Fixed:						
Fulfillment	2%	2%	2%	2%	2%	2%
Marketing	4%	3%	3%	3%	3%	2%
Technology	1%	1%	1%	1%	1%	1%
G&A	3%	3%	3%	2%	2%	2%
Total Fixed	11%	10%	9%	8%	8%	7%
Adjusted EBITDA	6% - 9%	7% - 10%	8% - 11%	8% - 11%	9% - 12%	10% - 13%
Adjusted EBITDA \$	\$20 - \$29	\$25 - \$36	\$30 - \$42	\$36 - \$49	\$41 - \$55	\$47 - \$61

- Reflects Whitney Automotive Group, fully integrated
- Excludes stock based compensation, depreciation and amortization
- For every incremental year required to achieve growth levels, fixed expenses increase \$1.2M

AutoMD- Largest DIY Site Repositioned to Target \$140B DIFM Market



Lease a new 2011 Sienna LE
\$299* PER MONTH \$2,298 DUE AT SIGNING
\$9 MONTHS WITH APPROVED CREDIT
*Complimentary Toyota Maintenance Program

TOYOTA
moving forward

[FIND YOURS](#)

*Details

2008 Audi A5 Quattro
Base 6 Cyl 3.2L

TSB (0) RECALLS (0) Q&A (488)

AutoMD Negotiator Diagnose Estimate Cost Find a Shop How-To-Guides Auto Answers

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877-249-1500

Quote Statistics for your 2008 Honda Accord

Agent Mary J.	Shops Called 6	Total Quotes 3	Highest \$600	Lowest \$300
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Compare & Select a Shop

Click View Quote for more details on information on warranty, parts, and labor cost. Quote prices are valid for 5 business days. Prices may vary after that.

SHOP	AVAILABLE	WARRANTY	COST
Quality Autobody 221 Amata Ave Hollywood, CA 90028 0.18 miles Shop Contact: Cody Brenan	July 15, 2011 10:00 AM	1 Year*	\$300.00 <small>Tax not included</small>
Johnson's Auto Care 4148 S Sunnyside Dr.	July 15, 2011 9:30 AM	90 Days*	\$470.00 <small>Tax not included</small>

We call shops and negotiate for you, so you won't overpay for auto repair.

We've called over 50,000 shops and found quotes for the same repair **differ by over 40%**! See what we can do for you.

Learn More

Request a Quote

View the latest TSBs & Recalls

Select Year

Select Make

Select Model

GO

Get your questions answered

“ Brake pedal goes all the way to the floor. Replaced all brake, master cylinder. Did not fix problem, bled all the brakes

Asked by mom1231 - 1 minute ago

[Ask a Question](#) [View Questions](#)

Compare local repair estimates

Calling repair shops, comparison shopping, who has time for that? We do.

[The AutoMD Negotiator](#)

Adjusted EBITDA (Consolidated)



(Amounts shown in thousands)	Thirteen Weeks Ended		Thirteen Weeks Ended		Thirty-Nine Weeks Ended		Thirty-Nine Weeks Ended	
	October 1		October 2		October 1		October 2	
	2011		2010		2011		2010	
Net (loss) income	\$	(5,308)	\$	(13,039)	\$	(8,118)	\$	(11,030)
Interest expense (income) net		283		187		719		132
Income tax provision		2		10,979		215		12,154
Amortization of intangibles		338		919		3,328		1,164
Depreciation and amortization		3,126		2,547		9,202		6,483
EBITDA		(1,559)		1,593		5,346		8,903
Share-based compensation		623		640		1,946		2,112
Legal costs to enforce intellectual property rights		211		306		443		2,199
Charge for change in revenue recognition		-		-		-		411
Add back Other Restructuring		3,815		1,590		6,591		1,590
Adjusted EBITDA	\$	<u>3,090</u>	\$	<u>4,129</u>	\$	<u>14,326</u>	\$	<u>15,215</u>

Adjusted EBITDA excluding JC Whitney



(Amounts shown in thousands)

	Thirteen Weeks Ended	Thirteen Weeks Ended	Thirty-Nine Weeks Ended	Thirty-Nine Weeks Ended
	October 1	October 2	October 1	October 2
	2011	2010	2011	2010
Net income	\$ 214	\$ (10,136)	\$ 4,617	\$ (8,127)
Interest expense (income) net	280	139	719	83
Income tax provision	2	10,979	160	12,154
Amortization of intangibles	125	124	375	369
Depreciation and amortization	2,514	2,197	7,364	6,132
EBITDA	3,134	3,303	13,235	10,611
Share-based compensation	623	640	1,946	2,112
Legal costs to enforce intellectual property rights	211	306	443	2,199
Charge for change in revenue recognition	-	-	-	411
Adjusted EBITDA	<u>\$ 3,968</u>	<u>\$ 4,249</u>	<u>\$ 15,624</u>	<u>\$ 15,333</u>

Income Statement (Consolidated)



	Thirteen Weeks Ended October 1 <u>2011</u>	Thirteen Weeks Ended October 2 <u>2010</u>	Thirty-Nine Weeks Ended October 1 <u>2011</u>	Thirty-Nine Weeks Ended October 2 <u>2010</u>
Net sales	\$ 78,593	\$ 72,349	\$ 249,839	\$ 181,828
Cost of sales	<u>54,248</u>	<u>48,342</u>	<u>166,664</u>	<u>119,617</u>
Gross profit	24,345	24,007	83,175	62,211
Operating expenses:				
Marketing ⁽¹⁾	14,002	11,145	41,953	25,496
General and administrative ⁽¹⁾	9,096	8,156	25,739	20,288
Fulfillment ⁽¹⁾	4,449	4,102	14,048	10,269
Technology	1,676	1,665	5,531	3,841
Amortization of intangibles and impairment loss	<u>338</u>	<u>919</u>	<u>3,328</u>	<u>1,164</u>
Total operating expenses	29,561	25,987	90,599	61,058
(Loss) income from operations	(5,216)	(1,980)	(7,424)	1,153
Other income (expense):				
Other income	201	134	279	185
Interest (expense) income	<u>(291)</u>	<u>(214)</u>	<u>(758)</u>	<u>(214)</u>
Other (expense) income, net	(90)	(80)	(479)	(29)
(Loss) income before income taxes	(5,306)	(2,060)	(7,903)	1,124
Income tax provision (benefit)	<u>2</u>	<u>10,979</u>	<u>215</u>	<u>12,154</u>
Net (loss) income	<u>\$ (5,308)</u>	<u>\$ (13,039)</u>	<u>\$ (8,118)</u>	<u>\$ (11,030)</u>
Basic net (loss) income per share	\$ (0.17)	\$ (0.43)	\$ (0.27)	\$ (0.36)
Shares used in computation of basic net income (loss) per share	30,571,472	30,357,988	30,521,529	30,225,194

Balance Sheet



	October 1, 2011 (unaudited)	January 1, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 15,151	\$ 17,595
Short-term investments	1,117	1,062
Accounts receivable, net of allowance of \$194 and \$372, respectively	8,805	5,339
Inventory	45,717	48,100
Deferred income taxes	360	359
Other current assets	4,444	5,646
Total current assets	<u>75,594</u>	<u>78,101</u>
Property and equipment, net	34,800	33,140
Intangible assets, net	15,456	18,718
Goodwill	18,854	18,647
Investments	2,104	4,141
Other non-current assets	981	790
Total assets	<u>\$ 147,789</u>	<u>\$ 153,537</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 33,833	\$ 31,660
Accrued expenses	15,480	15,487
Notes Payable, current portion	6,250	6,125
Capital Leases payable, current portion	128	132
Other current liabilities	7,454	5,522
Total current liabilities	<u>63,145</u>	<u>58,926</u>
Non-current liabilities		
Notes Payable, net of current portion	13,188	17,875
Capital Leases payable, net of current portion	67	185
Deferred tax liabilities	3,233	3,046
Other non current liabilities	983	701
Total liabilities	<u>80,616</u>	<u>80,733</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value; 30,587,401 and 30,429,376 shares issued and outstanding as of 10/1/11 and 1/1/11, respectively	31	30
Additional paid-in capital	156,372	153,962
Accumulated other comprehensive income	325	249
Accumulated deficit	(89,555)	(81,437)
Total stockholders' equity	<u>67,173</u>	<u>72,804</u>
Total liabilities and stockholders' equity	<u>\$ 147,789</u>	<u>\$ 153,537</u>



Thank You