
**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) **March 10, 2016**



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.)

16941 Keegan Avenue, Carson, CA 90746
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(310) 735-0085**

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))
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Item 7.01. Regulation FD Disclosure.

On March 14th, 2016, at the 28th Annual Roth Conference hosted by Roth Capital Partners in Dana Point, California, the Company will be speaking and meeting with certain analysts, 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.

The information contained in Item 7.01 and in Item 9.01 and in Exhibit 99.1 attached to this report is being furnished to the Securities and Exchange Commission and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that Section, or incorporated by reference in any filing under the Exchange Act or the Securities Act of 1933, as amended, regardless of any general incorporation language contained in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Presentation of U.S. Auto Parts Network, Inc.
2	

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: March 14, 2016

U.S. AUTO PARTS NETWORK, INC.

By: /s/ NEIL WATANABE
Neil Watanabe
Chief Financial Officer

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EXHIBIT INDEX

Exhibit No.	Description
99.1	Presentation of U.S. Auto Parts Network, Inc.
4	

NASDAQ: PRTS

USAUTOPARTS

Investor Presentation

March 2016

This presentation contains “forward-looking” statements, within the meaning of the federal securities laws, that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning our possible or assumed future results of operations, expected growth and business strategies, key operating metrics, financing plans, competitive position, industry environment, potential product offerings, potential market and growth opportunities and the effects of competition.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation. 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 disclosures contained in the U.S. Auto Parts Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission, including the risk factors set forth therein, for more detailed discussion on the factors that can cause actual results to differ materially from those projected in any forward-looking statements. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. We have provided a reconciliation of those measures to the most directly comparable GAAP measures in the this presentation, where applicable. All financial measures in this presentation refer solely to the Company’s core auto parts operating segment (“Base USAP”) and exclude the AutoMD operating segment (“AutoMD”), an online automotive repair information source of which we are a majority stockholder.

Company Overview



- ▶ US Auto Parts is a leading pure-play internet retailer of aftermarket auto parts
- ▶ We operate online sites, marketplaces and wholesale channels focused on the do-it-yourself (DIY) customer
- ▶ Offer over 1 million SKUs of high quality private label and branded aftermarket products
- ▶ Reach ~10 million online customers per month through our well-established network of websites

*A Value Leader in
Aftermarket Auto Parts*



AUTOPARTS
WAREHOUSE



Customer Value Proposition

Low Cost Products

- Cost-conscious customers are able to purchase over 45,000 products at a significant cost savings because USAP is able to identify high demand SKUs and source them from one of 350+ reputable factories in Asia; over 60% of USAP unit sales are private label

Product Warranties

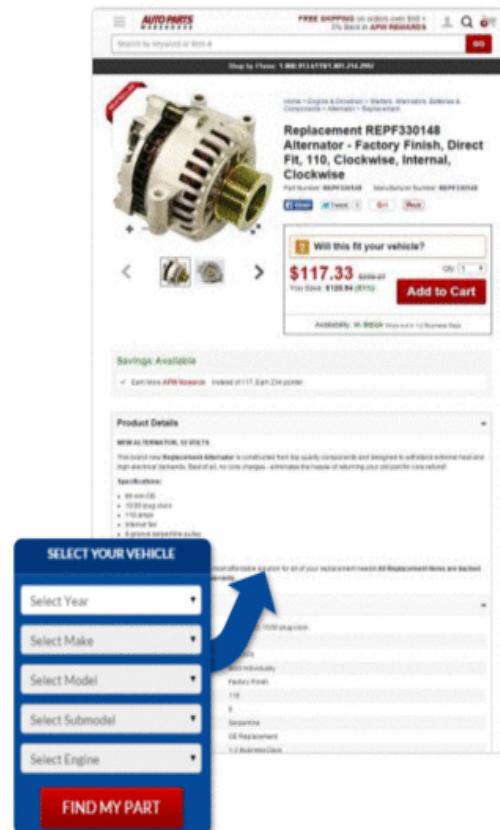
- We provide a warranty for all products sold covering a full parts replacement for defective product

User-Friendly Websites

- Customers shop websites designed specifically for the auto parts segment driven by our complex catalogs allowing customers to quickly identify SKUs required and build complete jobs

Over 1M SKUs

- Customers have one-stop shopping on over 1 million products across all major categories for auto parts: Collision, Engine/Under Car, and Performance and Accessories



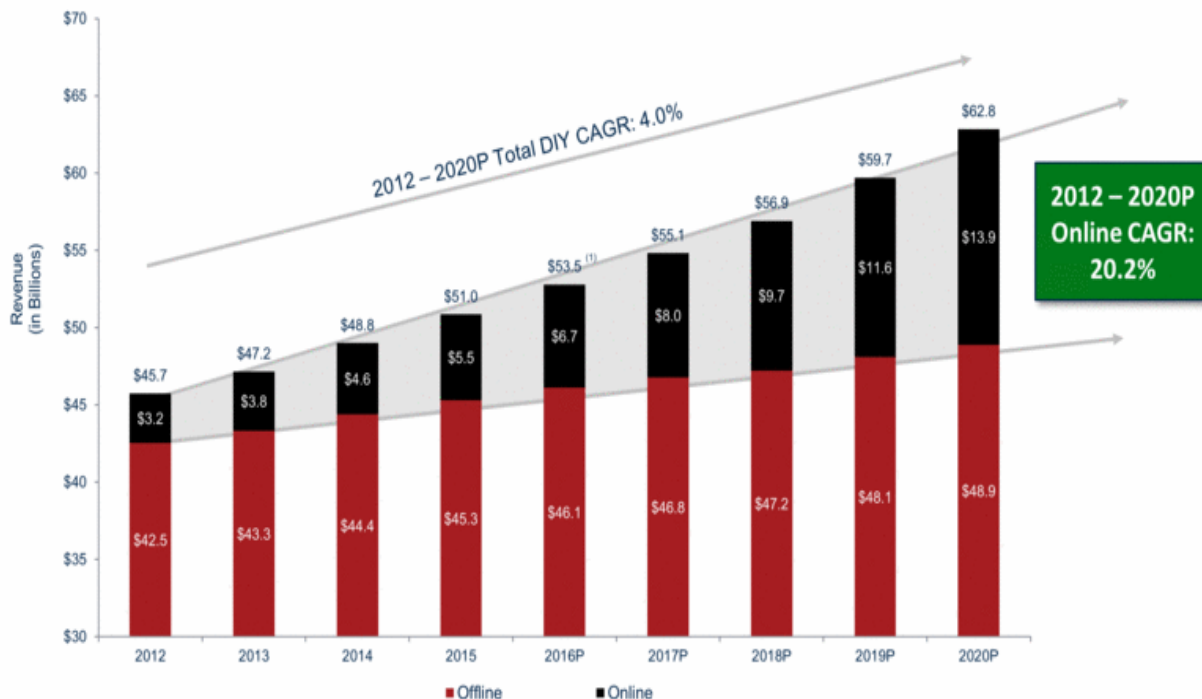
Price & Product Availability: The Two Most Important Factors for DIY Customers

Source: Aftermarket Business World, Feb 2014

Online Market is Vibrant & Growing

DIY Online Penetration

- The online portion of the DIY market is expected to double by 2020¹
- Management estimates by 2020 Online DIY could reach 22% of the total DIY Market



1) Based on management assumptions and projections

Aftermarket Auto Parts Industry Sales¹

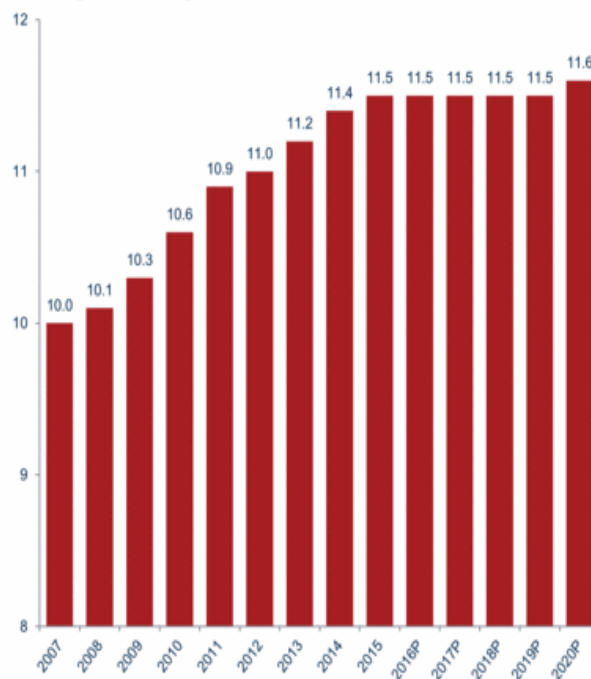


- Total miles traveled has increased in recent months while the average price of gas has declined over the same period
- The average age of a light vehicle on the road continues to increase each year since 2007

Miles Traveled and Average Gasoline Price Per Gallon



Mean Light Vehicle Age



Source:
Miles Traveled – U.S. Department of Transportation; Gas Prices – U.S. Energy Information Administration.
IHS

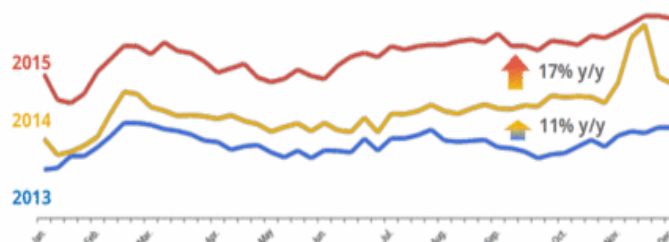
Aftermarket Auto Parts Industry Sales¹

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NASDAQ:PRTS

- Favorable macro trends including online/mobile adoption, increased miles driven and a peak average age of vehicle is supporting strong search demand for automotive related searches
- Drivers are increasingly relying on Google to search for parts and service information
- Google has experienced 16% year over year growth in queries for automotive parts and accessories

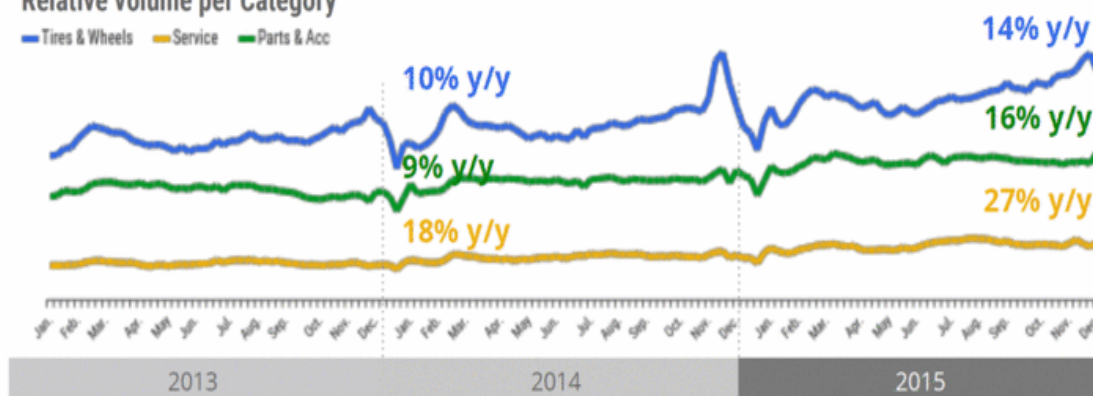
Digital Trends

[Vehicle Parts & Service Monthly Searches]



Relative volume per Category

— Tires & Wheels — Service — Parts & Acc



Source: Google

How We Go To Market: Channels & Percent of Revenue¹

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eCommerce Websites:

Network of flagship websites supported by our call center agents. Sites also generate advertising & sponsorship revenue.



Online Marketplaces:

3rd party auction sites and shopping portals, enabling access to additional consumer segments.



Offline/Wholesale: Products distributed directly to commercial customers, mostly collision repair shops. Also our Kool-Vue™ branded products sold to wholesale distributors.



Based on estimates for FY-15

Competitive Landscape

Online Traffic Volume Comparison

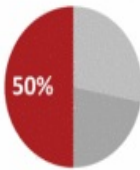
Monthly
Visitors¹



1) Competitor sites' traffic based on Compete using the average monthly traffic for 2015 year
2) Monthly Visitors for US Auto Parts is average monthly traffic for FY-15

We Address the Market with an Expansive Product Offering

FY-15
Revenue
Mix



Collision Parts

Lamps 	Mirrors 	Bumpers 
Hoods 	Tailgates 	Doors 
Grills 	Wheels 	Window Regulators 

Engine Parts

Brake Discs 	Catalytic Converters 	Radiators 
Headers 	Oxygen Sensors 	Alternators 
Exhaust 	Driveshaft 	Fuel Injection / Delivery 

Performance & Accessories

Seat Covers 	Car Covers 	Floor Mats / Carpeting 
Cold Air Intakes 	Vent Visors 	Tonneau Covers 
Nerf Bars 	Bug Shields 	Car Bras 

Private
Label

96%

50%

3%

Branded

4%

50%

97%

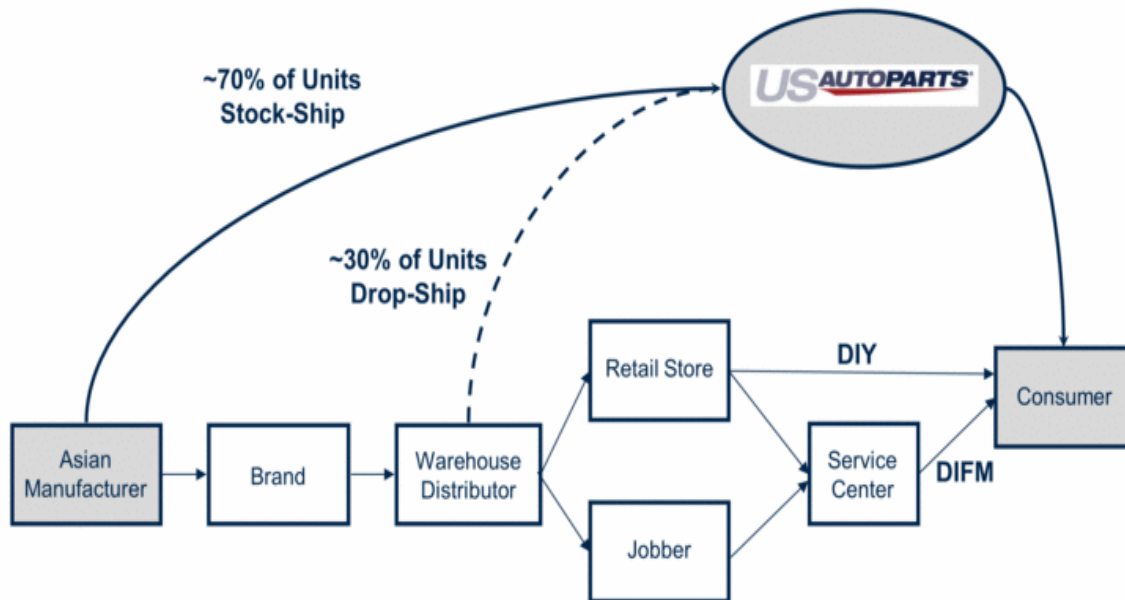
Note: All percentages of sales are estimated using FY-15

Over 1 Million SKUs Across Several Categories

USAP Supply Chain Creates Pricing Advantage **USAUTOPARTS**

NASDAQ:PRTS

- ▶ USAP has built a vertically integrated e-commerce business that also uses low/no capital intensive branded product to identify demand, drive traffic and supplement products that have not been private labeled



Projected Margin Profile

- ▶ Incremental flow through from private label business is driving higher margins
- ▶ Minimal fixed costs creates significant leverage in our business model
- ▶ We believe revenue mix will continue to shift to private label

	Private Label	Branded	Total
FY-15 Growth Rate ¹	17%	(9%)	6%
Projected Revenue Mix	65%	35%	100%
Projected Gross Margins	34% - 36%	19% - 21%	29% - 31%
Projected Variable OPEX Costs	16% - 17%	11% - 12%	15% - 16%
Incremental Fixed Cost	0%	0%	0%
Incremental Flow Thru	17% - 20%	7% - 10%	13% - 16%

1) Excludes non-operating channel segments

2) Projections above are based on management assumptions as of March 8, 2015.



Financial Highlights

Key Stats: PRTS (NASDAQ)



NASDAQ:PRTS

Trading Data (@ March 9, 2016)		Financial Highlights (FY 2015)		Ramping Profitability																
Stock Price	\$3.16	Revenues	\$291.1M	(in millions)																
52 Wk. High/Low	\$3.28/1.50	Gross Margin	28.7%	■ Revenue																
Avg. Daily Vol. (3 mo)	123,405	Adjusted EBITDA ²	\$8.4M	■ Adj. EBITDA																
Shares Outstanding	34.1M	Cash & Equiv.	\$5.5M	<table><thead><tr><th>Fiscal Year</th><th>Revenue (Millions)</th><th>Adj. EBITDA (Millions)</th></tr></thead><tbody><tr><td>FY13</td><td>\$255</td><td>\$6.0</td></tr><tr><td>FY14</td><td>\$284</td><td>\$7.9</td></tr><tr><td>FY15</td><td>\$291</td><td>\$8.4</td></tr><tr><td>FY16E³</td><td>\$291</td><td>\$11.5-\$14.0</td></tr></tbody></table>		Fiscal Year	Revenue (Millions)	Adj. EBITDA (Millions)	FY13	\$255	\$6.0	FY14	\$284	\$7.9	FY15	\$291	\$8.4	FY16E ³	\$291	\$11.5-\$14.0
Fiscal Year	Revenue (Millions)	Adj. EBITDA (Millions)																		
FY13	\$255	\$6.0																		
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FY15	\$291	\$8.4																		
FY16E ³	\$291	\$11.5-\$14.0																		
Institutional Holdings	61%	Total Assets	\$83.7M																	
Insider Holdings	24%	Total Debt	\$11.8M																	
Valuation Measures		Total Liabilities	\$61.5M																	
Market Cap	\$107.9M	Total Equity	\$22.1M																	
Enterprise Value	\$114.1M	<div>PRTS Daily — 3/09/16</div> <div>Volume — ©BigCharts.com</div>																		
EV/Revenue	0.4X																			
EV/NTM Adj. EBITDA	8.9X																			
Employees ¹	1,049																			

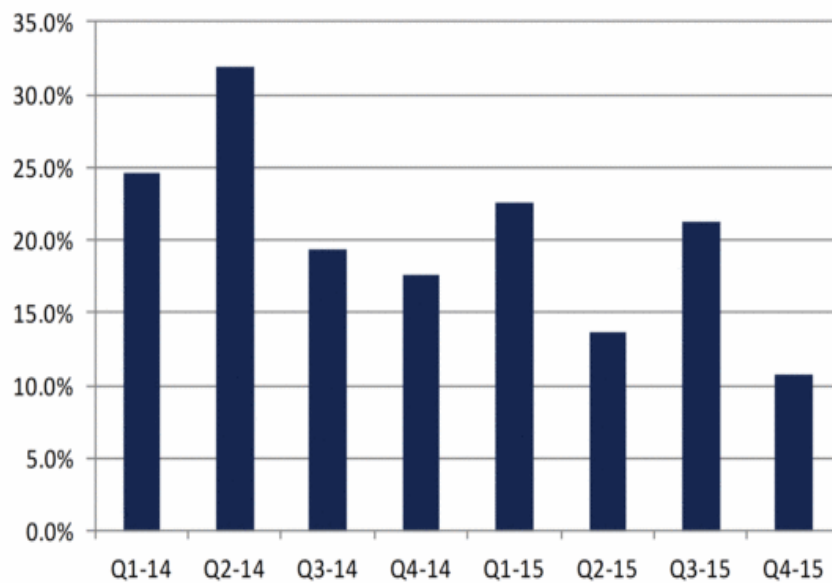
Data sources: Yahoo! Finance, S&P Capital IQ, company filings.

1) As of March 9, 2016.

2) See Appendix for a reconciliation of non-GAAP measure.

3) Revenue estimate represents low to mid-single digit growth from 2015. Guidance updated and effective only on March 8, 2016.

Positive Private Label Quarterly Comp Sales Trend¹

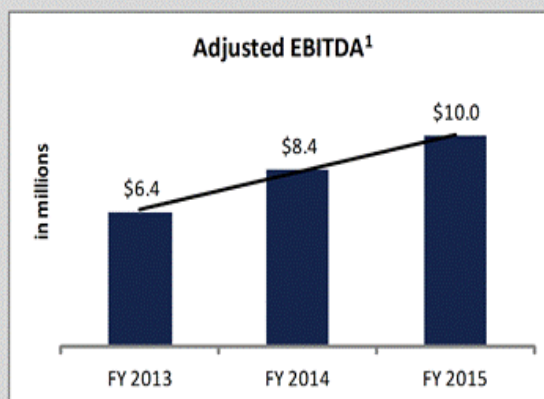
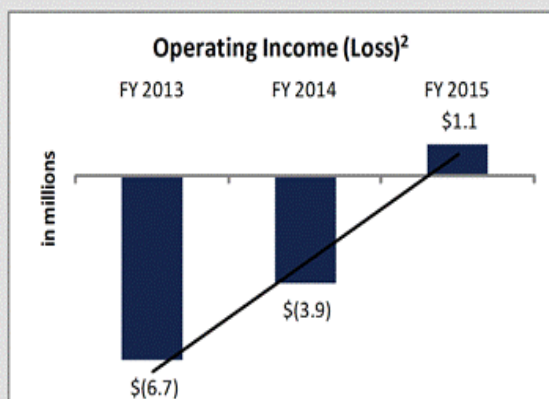
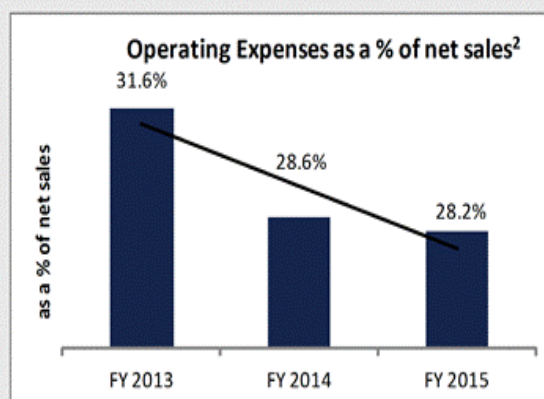
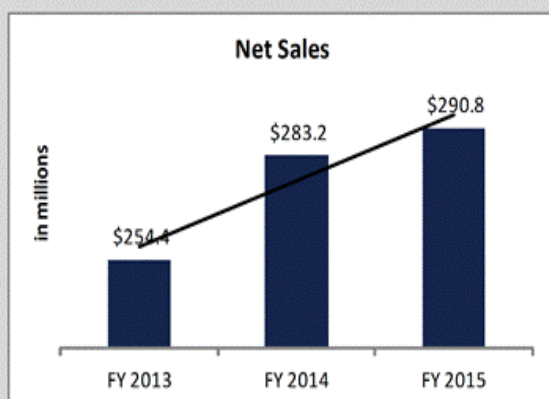


¹ Comparable net sales was calculated by excluding \$2.0M in private label sales related to the final week of Q4-14, as well as \$1.7M, \$1.4M, \$0.8M and \$0.5M in sales related to the West Coast Wholesale operations from Q1-14, Q2-14, Q3-14 and Q4-14, respectively.

8 consecutive quarters with double digit Private Label growth

Financial Performance (excludes AutoMD)

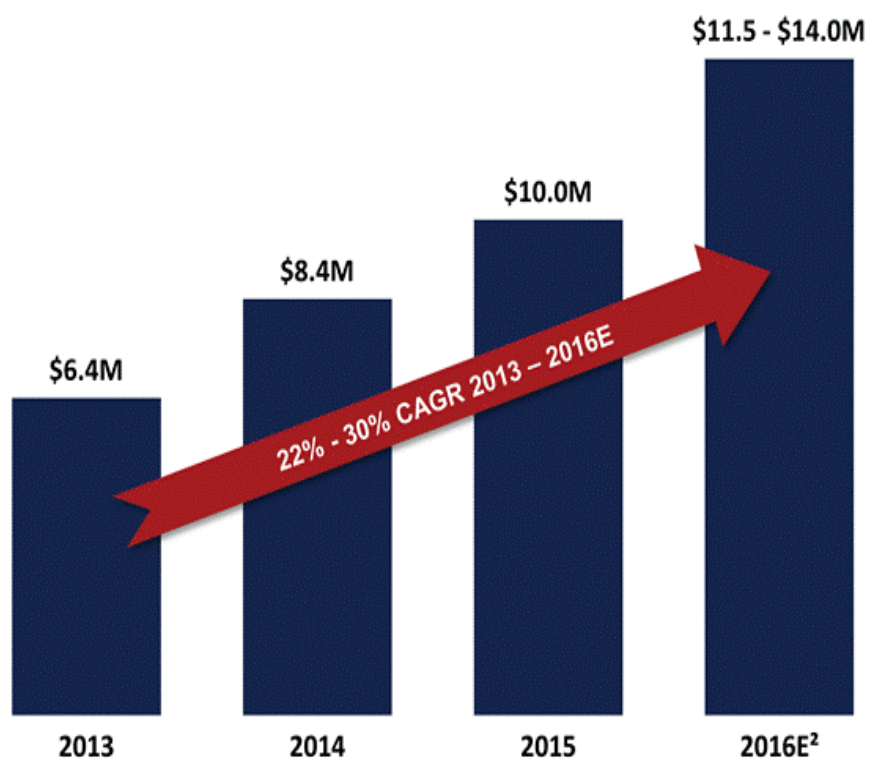
USAUTOPARTS
NASDAQ:PRTS



1) Non-GAAP financial measure EBITDA consists of net income before (a) interest expense, net; (b) income tax provisions; (c) amortization of intangible assets; (d) depreciation and amortization. Adjusted EBITDA excludes Stock based compensation of \$1.3M, \$2.4M and \$2.3M for FY-13, FY-14 and FY-15, respectively and restructuring costs and other one time charges of \$6.8M and \$2.0M and \$0.5M for FY-13 and FY-14, respectively. Refer to the appendix for a full Adjusted EBITDA reconciliation to net income

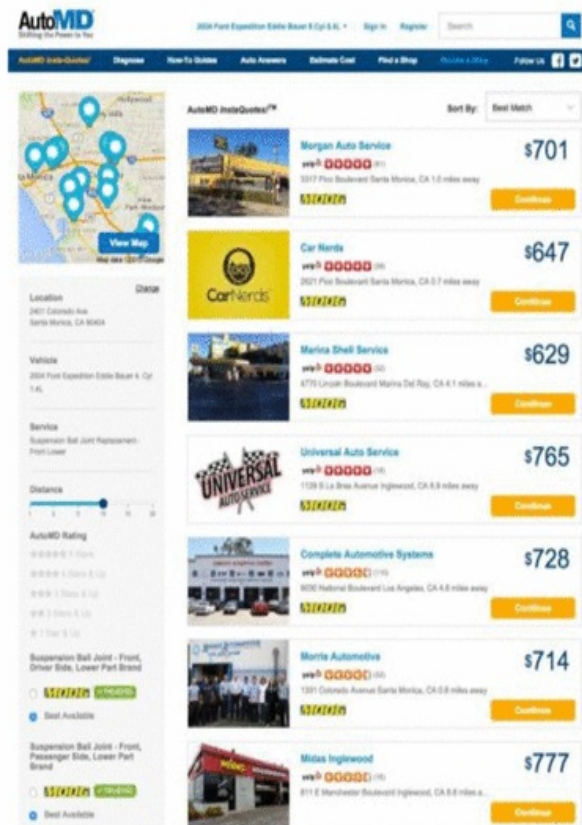
2) Excludes one time write downs of \$6.1 and \$0.9M for FY-13 and FY-14, respectively

Strong EBITDA¹ Growth Trends for U.S. Auto Parts **USAUTOPARTS** (excludes AutoMD) NASDAQ:PRTS



- 1) Non-GAAP financial measure EBITDA consists of net income before (a) interest expense, net; (b) income tax provisions; (c) amortization of intangible assets; (d) depreciation and amortization. Adjusted EBITDA excludes Stock based compensation, restructuring costs and other one-time charges. See Appendix for reconciliation of Adjusted EBITDA to net income
- 2) Represents guidance for EBITDA growth (excluding AutoMD), issued and only effective March 8, 2016

- ▶ AutoMD is an online auto repair source for the do-it-for-me (DIFM) market
 - ▶ Serves as repair lead generation site for repair shops, while educating consumers on maint./service of their vehicles
- ▶ Raised \$7.0M in capital in 2014
 - ▶ Fed Mogul: \$3.0M
 - ▶ Cox Automotive: \$2.0M
 - ▶ Insiders: \$2.0M
- ▶ Post-funding valuation of \$19.5M with 64% controlled by U.S. Auto Parts
- ▶ **~3,219 shops in the program at FY-15**
 - ▶ Year-end 2016 Goal: Over 5,000 total shops



Key Takeaways

- ▶ **A leading pure-play internet retailer of aftermarket auto parts**
- ▶ **\$5 billion industry** anticipated to double by 2020²
- ▶ **~10 million monthly website visitors** – more than double next competitor
- ▶ **Transitioning to a higher mix of private label products** to drive increased conversion rates higher-margin revenues and EBITDA
- ▶ **Shifting Focus from Growth to Profitability** – generate free cash flow and pay down our debt in 2016

US AUTOPARTS

JC Whitney
100 YEARS EVERYTHING AUTOMOTIVE

CarParts.com

AUTOPARTS
WAREHOUSE

AutoMD.com

1) Revenue estimate represents low to mid-single digit growth from 2015. Guidance updated and effective only on March 8, 2016.

2) Based on managements assumptions and projections

3) See Appendix for a reconciliation to net income

Ramping Profitability

■ Revenue

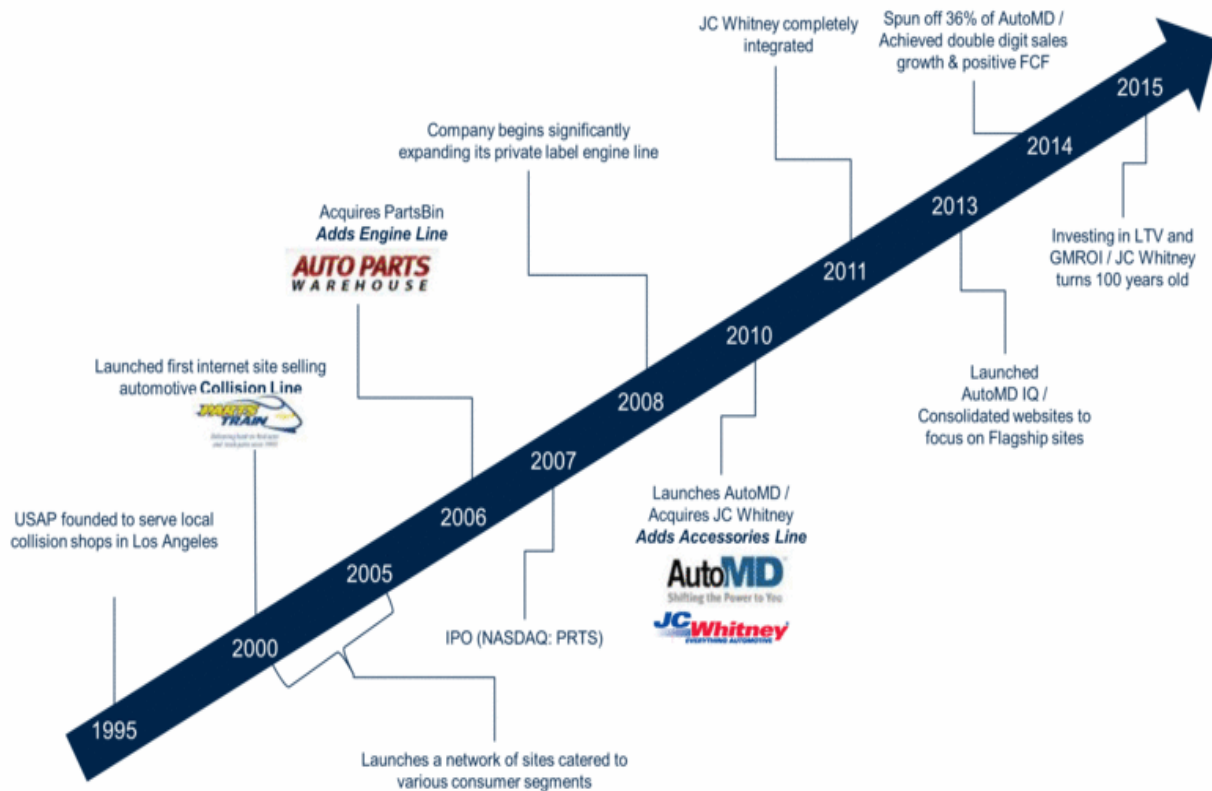
■ Adj. EBITDA³





APPENDIX

Company History



Experienced Leadership Team



Shane Evangelist | Chief Executive Officer

- Since October 2007
- Over 13 years of experience leading internet businesses
- Senior Vice President and General Manager of Blockbuster Online
- Vice President of Strategic Planning for Blockbuster Inc.
- B.A. degree in Business Administration from the University of New Mexico and M.B.A. from Southern Methodist University



Neil Watanabe | Chief Financial Officer

- Since March 2015
- Over 30 years of finance, accounting and retail experience in both private & public companies
- Chief Operating Officer of National Stores
- EVP & Chief Financial Officer – Pet Smart
- B.A. degree in Social Sciences from the University of California, Los Angeles and CPA certification in Illinois



Aaron E. Coleman | Chief Operating Officer

- Since April 2008
- Former Executive Vice President of Operations and CIO from April 2008 - September 2010
- Over 18 years of e-commerce experience
- Senior Vice President – Online Systems at Blockbuster Inc.
- B.A. degree in Business Administration from Gonzaga University



Charles Fischer | SVP of Global Procurement

- Since May 2008
- Over 30 years of global sourcing experience
- Vice President, Supply Chain Management for Keystone Automotive Industries
- Director, Business Development for Modern Engineering
- Multiple leadership positions with multiple companies in the automotive aftermarket industry

Financial Highlights – FY-15 (excluding AutoMD)



- ▶ Total revenue \$291M
- ▶ Comp sales up 5.6%
- ▶ Gross Margin expansion of 100 basis points over prior year
- ▶ Adjusted EBITDA was \$10.0M. A 19.0% increase over prior year
- ▶ Net debt flat to last year with increased inventory and flat payables

1) Non-GAAP financial measure EBITDA consists of net income before (a) interest expense, net; (b) income tax provisions; (c) amortization of intangible assets; (d) depreciation and amortization. See Appendix for a reconciliation of Adjusted EBITDA to net income

2) Comparable net sales was calculated by excluding \$3.64 million in sales related to the final week of year ended January 3, 2015, as well as \$4.35 million in sales related to the West Coast Wholesale

FY-13 – FY-15 Adjusted EBITDA reconciliation **USAUTOPARTS**[®]

(excluding AutoMD) **NASDAQ:PRTS**

	FY-13	FY-14	FY-15
	52 Weeks Ending	53 Weeks Ending	52 Weeks Ending
(in thousands)	December 28, 2013	January 2, 2015	January 2, 2016
Net loss	\$ (13,644)	\$ (4,907)	\$ (136)
Depreciation	10,676	7,230	6,141
Amortization of intangibles	381	422	431
Interest expense, net	972	1,101	1,208
Taxes	43	137	88
EBITDA	<u>\$ (1,572)</u>	<u>\$ 3,983</u>	<u>\$ 7,732</u>
Stock comp expense	1,211	2,367	2,297
Inventory write down related to Carson closure	-	897	-
Restructuring Cost	723	1,137	-
Impairment loss on property & equipment	4,832	-	-
Impairment loss on intangible assets	1,245	-	-
Adjusted EBITDA	<u>6,439</u>	<u>8,384</u>	<u>10,029</u>

1) Non-GAAP financial measure EBITDA consists of net income before (a) interest expense, net; (b) income tax provisions; (c) amortization of intangible assets; (d) depreciation and amortization. Adjusted EBITDA excludes stock based compensation, restructuring cost, and impairment loss

Projected FY-16 Adjusted EBITDA reconciliation **USAUTOPARTS**[®]

(excluding AutoMD) **NASDAQ:PRTS**

	Low End	High End
	52 Weeks Ending	52 Weeks Ending
(in thousands)	December 31, 2016	December 31, 2016
Net income	\$ 1,127	\$ 3,603
Depreciation	5,682	5,682
Amortization of intangibles	428	428
Interest expense, net	1,030	1,030
Taxes	232	232
EBITDA	\$ 8,499	\$ 10,975
Stock comp expense	3,081	3,081
Adjusted EBITDA	11,580	14,056

1) Non-GAAP financial measure EBITDA consists of net income before (a) interest expense, net; (b) income tax provisions; (c) amortization of intangible assets; (d) depreciation and amortization. Adjusted EBITDA excludes Stock based compensation

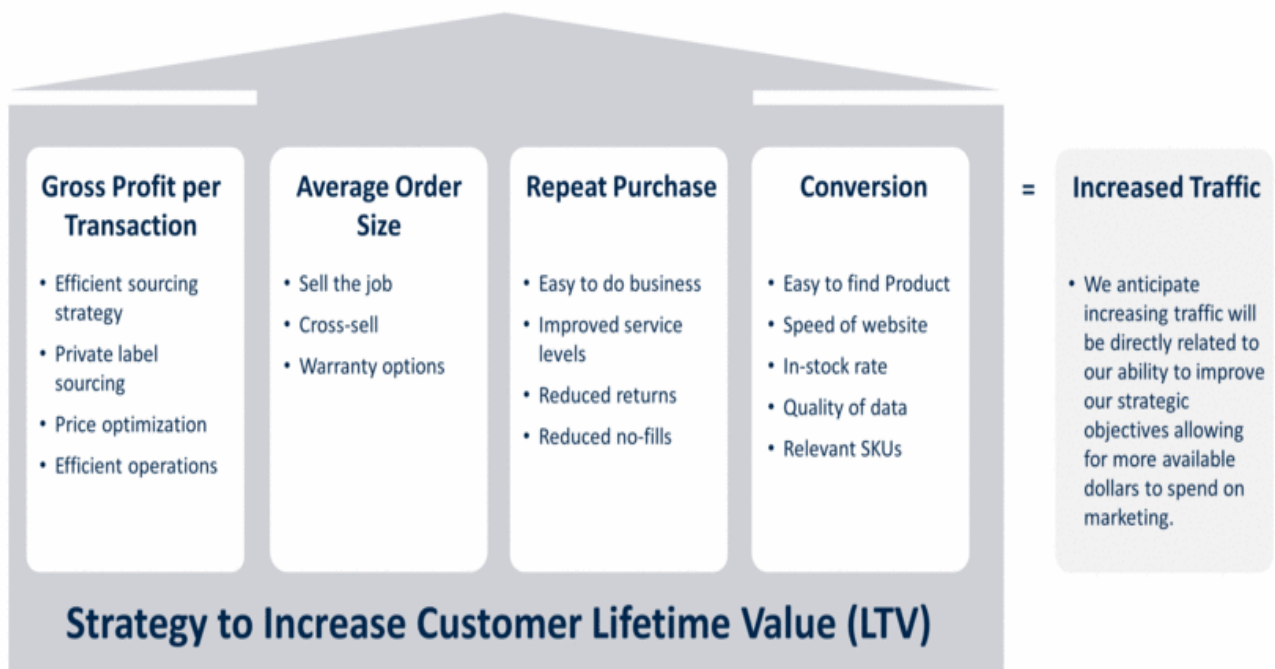
Financial Sensitivity

	FY-15	5%	10%	15%	20%	38%
Revenue	\$291	\$305	\$320	\$334	\$349	\$400
Gross Margin %	28.6%	29.0% – 31.0%	29.0% – 31.0%	29.0% – 31.0%	29.0% – 31.0%	29.0% – 31.0%
Variable:						
Fulfillment	3.6%	3.6%	3.6%	3.6%	3.6%	3.6%
Marketing	9.3%	9.3%	9.3%	9.3%	9.3%	9.3%
Technology	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
G&A	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
Total Variable	15.2%	15.2%	15.2%	15.2%	15.2%	15.2%
Fixed:						
Fulfillment	2.1%	2.0%	1.9%	1.8%	1.7%	1.5%
Marketing	3.8%	3.6%	3.4%	3.3%	3.2%	2.8%
Technology	1.1%	1.0%	1.0%	0.9%	0.9%	0.8%
G&A	3.2%	3.1%	3.0%	2.8%	2.7%	2.4%
Total Fixed ¹	10.1%	9.7%	9.3%	8.9%	8.5%	7.4%
Add backs	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Adjusted EBITDA %	3.4%	4.1% – 6.1%	4.5% – 6.5%	4.9% – 6.9%	5.3% – 7.3%	6.4% – 8.4%
Adjusted EBITDA \$ ²	\$10	\$12 – \$19	\$14 – \$21	\$16 – \$23	\$18 – \$25	\$26 – \$34

- 1) For every incremental year required to achieve growth levels, fixed expenses projected to increase \$1.0M or 3%.
2) Excludes stock based compensation, depreciation and amortization.

Our Business Model Projects Significant Cost Leverage as Revenues Grow

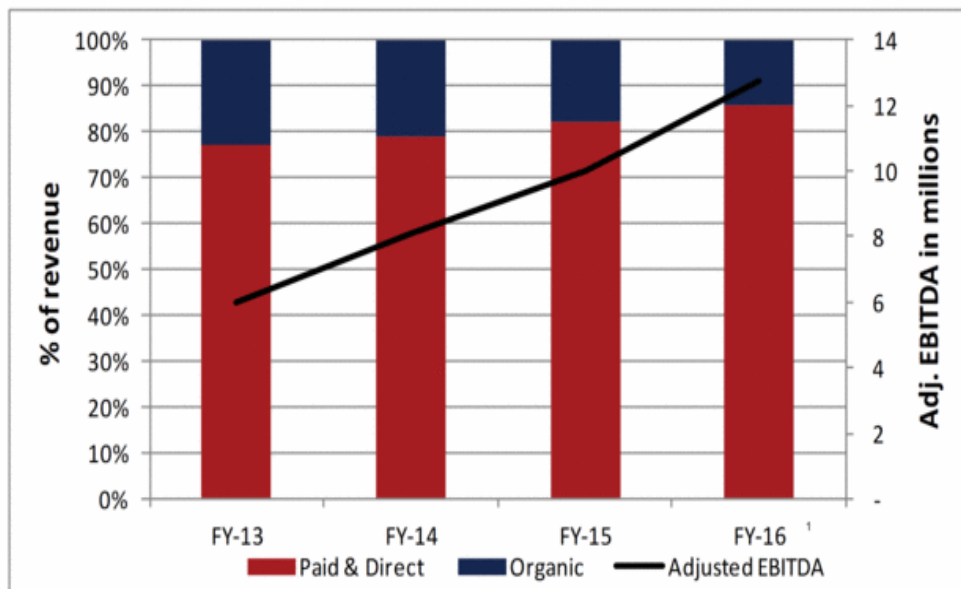
Key Avenues for Growth – Increase Customer Lifetime Value



Increased customer LTV would result in greater mix of traffic from both direct-to-website and paid channels, and less dependence on organic search

Ad Spend resulting in improved profitability

- We are becoming less dependant on organic search for revenue generation and project it to be ~14% of overall revenues in FY-16



¹ FY-16 EBITDA is the midpoint of Management's guidance of \$11.5 - \$14.0M