
**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 1, 2014



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) 735-0553

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 December 2, 2014, at the LD Micro Conference in Los Angeles, California, U.S. Auto Parts Network, Inc. will be presenting and participating in one-on-one meetings with analysts, investors and others 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:

Exhibit No.	Description
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.

U.S. AUTO PARTS NETWORK, INC.

Dated: December 1, 2014

By: /s/ SHANE EVANGELIST

Shane Evangelist
Chief Executive Officer

EXHIBIT INDEX

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

The logo for US Autoparts, featuring the letters "US" in a large, bold, italicized font, followed by "AUTOPARTS" in a smaller, bold, italicized font. A registered trademark symbol (®) is located at the end of the word "AUTOPARTS".

USAUTOPARTS®

Investor Presentation

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.

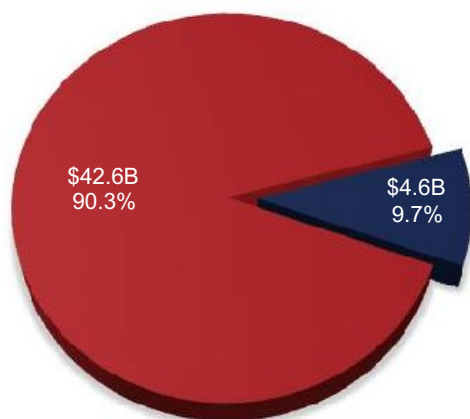
- ☑ Large and Growing Online Market
- ☑ Significant Customer Reach
- ☑ Significant Private Label Offering
- ☑ Experienced Leadership Team

Do It Yourself (DIY) Market Size



At 9.7% online market penetration, auto parts still lags industry average in the teens.
US Auto Parts is the largest pure-play online retailer of auto parts

Total DIY Market Size for 2013 of 47.2B¹



Company	2013 Est. Rev ² (in million)	% of total
Marketplaces		
eBay Motors	\$2,200	47.6%
Amazon	\$600	13.0%
Sub Total	\$2,800	60.6%
Wholesale Online		
Tire Rack (online)	\$440	9.5%
Other Tire Companies	\$190	4.1%
Sub Total	\$630	13.6%
Pure Play		
US Auto Parts	\$250	5.4%
Rock Auto	\$180	3.9%
Summit	\$170	3.7%
Auto Anything (AutoZone)	\$120	2.6%
JEGS	\$70	1.5%
CarID	\$60	1.3%
All Other Pure Play	\$90	1.9%
Sub Total	\$940	20.3%
Brick & Mortar Retailers		
AutoZone (w/o AA) ³	\$110	2.4%
Advance	\$80	1.7%
Pep	\$30	0.6%
O'Reilly	\$20	0.4%
NAPA	\$10	0.2%
Sub Total	\$250	5.4%
Total	4,620	100.0%

¹ AASA estimates

² Estimates by US Auto Parts where amounts are not publicly reported & we estimate the total online

³ DIY market to be larger than the \$3.8B that is reported in the 2014 AAI Fact Book

⁴ Excludes AutoAnything which is wholly owned by AutoZone

Online Market is Vibrant and Growing **USAUTOPARTS**

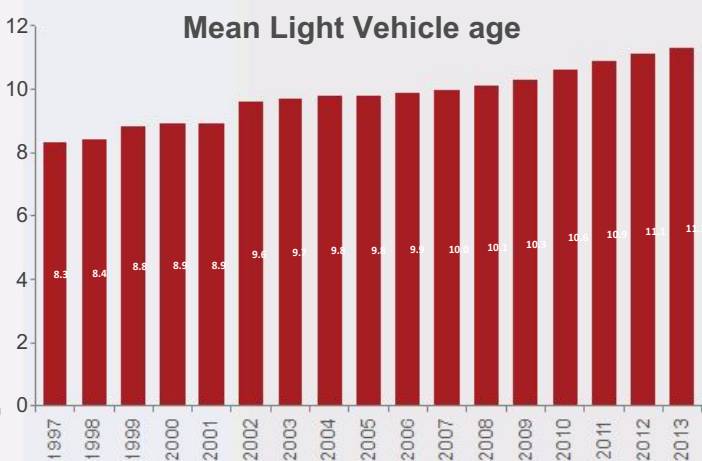
Aftermarket e-Commerce Overview

Booz & Co. estimates by 2018 that Online DIY could reach 17% of the total DIY market

The average age of a light vehicle on the road continues to increase each year since 1997

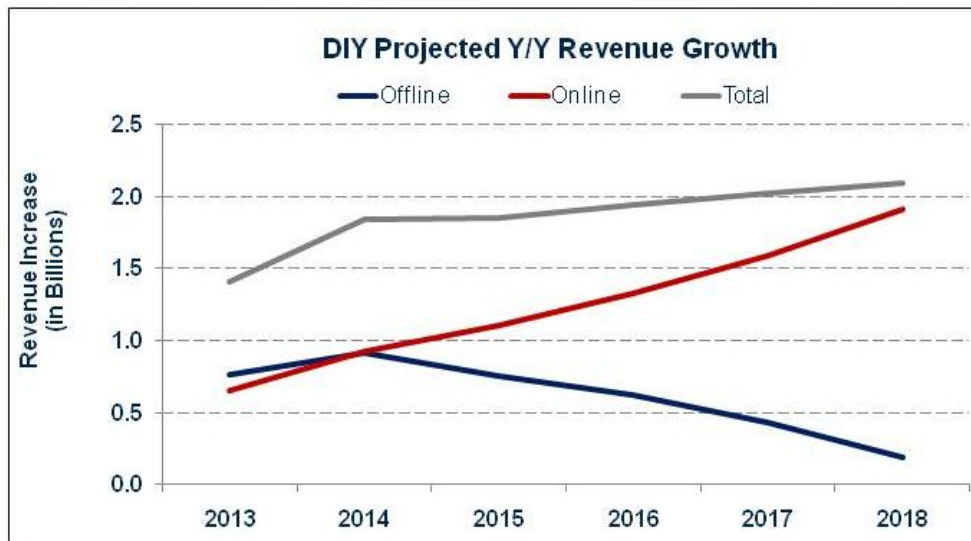


Source: Booz & Co.



Source: R.L. Polk and BB&TCM

Do It Yourself (DIY) Projections¹



DIY Projected Revenue (in Billions)						
Offline	\$42.6	\$43.5	\$44.2	\$44.8	\$45.3	\$45.5
Online	4.6	5.5	6.6	8.0	9.5	11.5
Total	\$47.2	\$49.0	\$50.9	\$52.8	\$54.8	\$56.9
% Online	9.8%	11.3%	13.0%	15.1%	17.4%	20.1%

¹ Projections obtained from AAIA 2014 Digital Automotive Aftermarket Fact Book and March 2014 AASA Digital Disruption: e-tailing in the Automotive Aftermarket Report

US Auto Parts Dominant Reach- Largest Pure Play Internet Retailer



(some overlap of monthly visitors across websites)



USAP traffic includes traffic from continued sales channels
Competitive sites' traffic based on Compete September 2014 reports

Broad Auto Parts Product Offering



US Auto Parts has one of the largest product offerings with over 1.5 million products across body parts, engine parts, and performance & accessories

Body Parts

Lamps 	Mirrors 	Bumpers 
Hoods 	Tailgates 	Doors 
Grills 	Wheels 	Window Regulators 

Revenue* **48%**

Engine Parts

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

36%

Performance & Accessories

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

16%

*Represents USAP online mix

USAP's Supply Chain Creates Pricing Advantage



USAP's ability to competitively price products while maintaining healthy margins is a function of the Company's ability to leverage its robust private label supply chain.

- Currently over 40,000 Private Label Products.
- Adding 4,000 – 5,000 Private Label SKUs this year
- The Company sources product directly from over 200 factories in Asia



The breadth of our Private Label products provides a significant competitive moat

We anticipate to have double digit comps in the back half of the year

Incremental Flow Thru

Revenue	100%
Gross Margins	25% - 28%
Variable OPEX Costs	15%
Fixed Cost	0%
Incremental Flow	10% - 13%

Financial Sensitivity



Our business model has significant cost leverage as revenues grow

	Base			18%			27%			45%			64%			82%		
Revenue	\$275			\$325			\$350			\$400			\$450			\$500		
Gross Margin %	25.0%	–	28.0%	25.0%	–	28.0%	25.0%	–	28.0%	25.0%	–	28.0%	25.0%	–	28.0%	25.0%	–	28.0%
Variable:																		
Fulfillment	3.2%			3.2%			3.2%			3.2%			3.2%			3.2%		
Marketing	9.4%			9.4%			9.4%			9.4%			9.4%			9.4%		
Technology	0.6%			0.6%			0.6%			0.6%			0.6%			0.6%		
G&A	1.8%			1.8%			1.8%			1.8%			1.8%			1.8%		
Total Variable	15.0%			15.0%			15.0%			15.0%			15.0%			15.0%		
Fixed:																		
Fulfillment	1.9%			1.6%			1.5%			1.3%			1.2%			1.1%		
Marketing	3.6%			3.2%			2.9%			2.6%			2.3%			2.1%		
Technology	0.9%			0.9%			0.8%			0.7%			0.6%			0.6%		
G&A	3.9%			3.6%			3.4%			3.0%			2.6%			2.4%		
Total Fixed	10.3%			9.3%			8.7%			7.6%			6.7%			6.1%		
Adjusted EBITDA %	-0.3%	–	2.7%	0.7%	–	3.7%	1.3%	–	4.3%	2.4%	–	5.4%	3.2%	–	6.2%	3.9%	–	6.9%
Adjusted EBITDA \$	(\$1)	–	\$7	\$2	–	\$12	\$5	–	\$15	\$10	–	\$22	\$15	–	\$28	\$20	–	\$35

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

AutoMD – Repair Lead Generation Site **USAUTOPARTS**

The screenshot shows the AutoMD website interface. At the top, there's a navigation bar with links like 'AutoMD Auto-Quotes', 'Diagnose', 'How-To Guides', 'Auto Answers', 'Estimate Cost', and 'Find a Shop'. Below this, a search bar displays '2004 Toyota Camry LE 4 Cyl 2.4L'. The main content area shows search results for 'Alternator Replacement' in 'Woodside, NY 11377'. It lists five shops with their ratings, addresses, and estimated costs. A banner at the top of the results area says 'Up to \$131 saved off dealer price, that's 35% savings!'.

Shop Name	Rating	Address	Distance	ACDelco Price	Action
Sosa Auto Diagnostics	4.5 (15)	620 Broadway Brooklyn, NY	4.6 miles away	\$393	Request Appointment
Bismillah Auto Center	4.5 (15)	10 Malcolm Boulevard Brooklyn, NY	4.5 miles away	\$377	Request Appointment
Robel and Sons Auto Repair	4.5 (15)	30 Bartlett Street Brooklyn, NY	4.8 miles away	\$377	Request Appointment
Prela Enterprises, Inc.	4.5 (15)	42-42 Francis Lewis Boulevard Bayside, NY	8.1 miles away	\$491	Request Appointment
Yellowbird Auto Diagnostic Center, Inc.	4.5 (15)	20-2 29th Street Astoria, NY		\$379	Request Appointment

Overview

- Repair lead generation site addresses the DIFM market

Recent Strategic Investment

- \$12.5M pre-money valuation
- Raised \$7.0M in capital
 - Fed Mogul: \$3.0M
 - Cox Automotive: \$2.0M
 - Insiders: \$2.0M
- Post-funding valuation of \$19.5M
 - USAP in control with 64% of the business
- There are over 1,000 shops on the program and growing

- ☑ Large and Growing Online Market
- ☑ Significant Customer Reach
- ☑ Significant Private Label Offering
- ☑ Experienced Leadership Team

Leadership Team



Shane Evangelist - Chief Executive Officer

Chief Executive Officer since October 2007 with over 10 years of 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 a M.B.A. from Southern Methodist University

Michael Yoshida - Interim Chief Financial Officer

Interim Chief Financial Officer since September 2014

Prior to his appointment as the Company's Principal Accounting Officer and Interim Chief Financial Officer, Mr. Yoshida has served as the Controller of the Company since 2009.

Vice President Finance and Controller for Hot Topic, Inc.

Senior Director of Finance and Controller for Bristol Farms

Chief Financial Officer, Vice President Finance at Farmers Market

B.S. degree in Accounting from the University of Southern California and an M.B.A. from the California State University, Los Angeles and is a Certified Public Accountant.

Aaron E. Coleman - Chief Operating Officer

Chief Operating Officer since September 2010, and was Executive Vice President of Operations and CIO from April 2008 until September 2010 with over 18 years of e-commerce experience

Senior Vice President –Online Systems at Blockbuster Inc.

Multiple positions with internet and technology companies including American Airlines, Travelweb (Priceline), Baan

B.A. degree in Business Administration from Gonzaga University

Charles Fischer - Senior Vice President of Global Procurement

Senior Vice President of Global Sourcing and Procurement since May 2008 with 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

Adjusted EBITDA

(Non-GAAP Financial Measure –in thousands)



	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	September 27	September 28	September 27	September 28
	2014	2013	2014	2013
Net loss	\$ (2,494)	\$ (1,399)	\$ (4,473)	\$ (14,309)
Interest expense, net	283	285	774	696
Income tax provision	15	1	68	91
Amortization of intangible assets	106	86	316	299
Depreciation and amortization expense	2,213	2,472	6,833	9,736
EBITDA	123	1,445	3,518	(3,487)
Share-based compensation expense	686	315	1,691	1,065
Impairment loss on property and equipment	-	-	-	4,832
Impairment loss on intangible assets	-	-	-	1,245
Inventory write-down related to Carson closure	-	-	478	-
Restructuring costs	410	-	1,035	723
Adjusted EBITDA	\$ 1,219	\$ 1,760	\$ 6,722	\$ 4,378

Consolidated Statements of Comprehensive Operations

(Unaudited, in Thousands, Except Per Share Data)



	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	September 27	September 28	September 27	September 28
	2014	2013	2014	2013
Net sales	\$ 67,965	\$ 61,724	\$ 212,940	\$ 195,018
Cost of sales ⁽¹⁾	49,551	43,817	153,405	138,360
Gross profit	18,414	17,907	59,535	56,658
Operating expenses:				
Marketing	10,278	9,385	31,356	31,762
General and administrative	3,762	4,261	12,532	13,626
Fulfillment	5,256	4,217	15,351	14,589
Technology	1,228	1,204	3,640	4,035
Impairment loss on property and equipment	-	-	-	4,832
Impairment loss on intangible assets	-	-	-	1,245
Amortization of intangible assets	106	86	316	299
Total operating expenses	20,630	19,153	63,195	70,388
Loss from operations	(2,216)	(1,246)	(3,660)	(13,730)
Other income (expense):				
Other income, net	24	135	39	214
Interest expense	(287)	(287)	(784)	(702)
Total other expense, net	(263)	(152)	(745)	(488)
Loss before income tax provision	(2,479)	(1,398)	(4,405)	(14,218)
Income tax provision	15	1	68	91
Net loss	(2,494)	(1,399)	(4,473)	(14,309)
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	23	6	19	31
Net unrealized losses on derivative instruments	(48)	-	(70)	-
Unrealized gains on investments	-	2	-	4
Total other comprehensive income (loss)	(25)	8	(51)	35
Comprehensive loss	\$ (2,519)	\$ (1,391)	\$ (4,524)	\$ (14,274)
Basic and diluted net loss per share	\$ (0.08)	\$ (0.04)	\$ (0.14)	\$ (0.40)
Shares used in computation of basic and diluted net loss per share	33,532	33,218	33,459	32,493

⁽¹⁾Excludes depreciation and amortization expense which is included in marketing, general and administrative and fulfillment expense.

Consolidated Balance Sheet

(Unaudited, in Thousands, Except Par and Per Share Liquidation value)



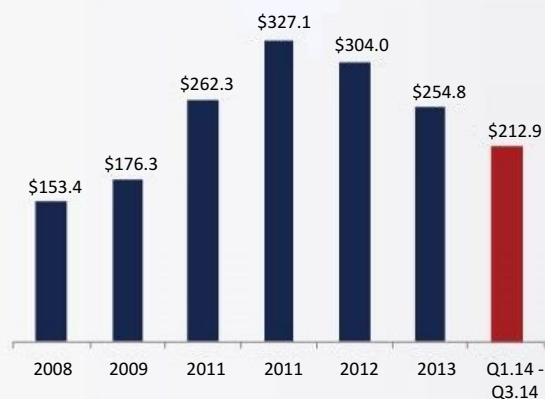
	September 27 2014	December 28 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,255	\$ 818
Short-term investments	39	47
Accounts receivable, net of allowances of \$295 and \$213 at June 28, 2014 and December 28, 2013, respectively	3,958	5,029
Inventory	44,816	36,986
Other current assets	3,052	3,234
Total current assets	53,120	46,114
Property and equipment, net	17,321	19,663
Intangible assets, net	1,822	1,601
Other non-current assets	1,421	1,804
Total assets	<u>\$ 73,684</u>	<u>\$ 69,182</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 21,715	\$ 19,669
Accrued expenses	6,902	5,959
Revolving loan payable	10,869	6,774
Current portion of capital leases payable	209	269
Other current liabilities	3,982	3,682
Total current liabilities	43,677	36,353
Capital leases payable, net of current portion	9,392	9,502
Deferred income taxes	321	335
Other non-current liabilities	1,854	2,126
Total liabilities	<u>55,244</u>	<u>48,316</u>
Stockholders' equity:		
Series A convertible preferred stock, \$0.001 par value; \$1.45 per share liquidation value or aggregate of \$6,017; 4,150 shares authorized; 4,150 shares issued and outstanding at September 27, 2014 and December 28, 2013, respectively	4	4
Common stock, \$0.001 par value; 100,000 shares authorized; 33,542 shares and 33,352 shares issued and outstanding at September 27, 2014 and December 28, 2013, respectively	34	33
Additional paid-in capital	170,969	168,693
Common stock dividend distributable	61	60
Accumulated other comprehensive income	395	446
Accumulated deficit	(153,023)	(148,370)
Total stockholders' equity	<u>18,440</u>	<u>20,866</u>
Total liabilities and equity	<u>\$ 73,684</u>	<u>\$ 69,182</u>

Sales & Adjusted EBITDA



Consolidated Sales ¹

(\$ In Millions)



Consolidated Adjusted EBITDA ²

(\$ In Millions)



1. JC Whitney was acquired in Aug 2010 adding revenue of \$39.1M in 2010 and \$83.4M in 2011. Amounts not separately disclosed after 2011.

2. 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 \$2.9M, \$3.3M, \$2.7M, \$2.6M, \$1.7M, \$1.3M and \$1.7M in 2008, 2009, 2010, 2011, 2012, 2013, and Q1-14 through Q3-14, respectively and restructuring costs and other one time charges of \$23.4M, \$0.4M, \$5.8M, \$12.9M, \$27.5M, \$6.8M, and \$1.5 in 2008, 2009, 2010, 2011, 2012, 2013 and Q1-14, through Q3-14, respectively.