

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): **November 14, 2006**

**Lifetime Brands, Inc.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**0-19254**

(Commission File Number)

**11-2682486**

(IRS Employer Identification No.)

**One Merrick Avenue, Westbury, New York, 11590**

(Address of Principal Executive Offices)(Zip Code)

(Registrant's Telephone Number, Including Area Code) **516-683-6000**

(Former Name or Former Address, if Changed Since Last Report) **N/A**

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 (see General Instruction A.2. below):

- 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**

From time to time, members of Lifetime Brands, Inc.'s (the "Company") management meet with analysts and prospective investors. A copy of the Company's presentation is attached hereto as Exhibit 99.1 and hereby incorporated by reference.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

99.1 [Investor presentation – November 2006](#)

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Signature

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 thereunto duly authorized.

Lifetime Brands, Inc.

By: /s/ Robert McNally

Robert McNally  
Vice President of Finance and  
Chief Financial Officer

Date: November 14, 2006



# LIFETIME BRANDS

November 2006



## Forward-Looking Statements

**This presentation contains certain forward-looking statements, including statements concerning the company's future prospects. These statements involve risks and uncertainties, including risks relating to general economic conditions and risks relating to the company's operations, such as the risk of loss of major customers. These risks are detailed in the company's filings with the Securities and Exchange Commission.**



# Agenda

## Investment Overview

- **The Lifetime Advantage**
- **Operating Division Overviews**
- **Strategy for Continued Growth**
- **Financial Performance**
- **Appendix: Financial Statements**

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## Investment Overview

- **High-growth consumer products company with established track record of excellent financial performance**
  - **Sales: 56% CAGR 2002-2005 with sustained 20% annual organic growth**
  - **EPS: 53% CAGR 2002-2005**
- **Highly-differentiated operating model**
  - **Unique combination of powerful brands, a strong culture of innovation and advanced sourcing expertise**
- **Clear strategy for continued organic growth, augmented with selective acquisitions**
- **Strong outlook for continued profitable growth**
  - **Sustained 15+% organic sales growth projected**
  - **Opportunities for operating profit expansion**

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# Focus on Three Markets

Market	Market Size	Our Categories	Sampling of Our Brands
Food Preparation	\$9.1B	<ul style="list-style-type: none"> <li>Kitchenware</li> <li>Cutlery &amp; Cutting Boards</li> <li>Bakeware &amp; Cookware</li> <li>Pantryware &amp; Spices</li> </ul>	FARBERWARE® KitchenAid HOFFRITZ SARATTEK Cuisinart KAMENSTEIN ROSHCO
Tabletop	\$4.5B	<ul style="list-style-type: none"> <li>Flatware</li> <li>Dinnerware</li> <li>Glassware</li> </ul>	WALLACE JOSEPH ABBODD NAUTICA TOWLE Calvin Klein Pfaltzgraff INTERNATIONAL SILVER COMPANY
Home Décor	\$6.5B	<ul style="list-style-type: none"> <li>Wall Décor</li> <li>Picture Frames</li> <li>Non-electric Lighting</li> <li>Lawn and Garden Décor</li> </ul>	MELANCO m elements e

**"Our goal is to be the #1 or #2 developer and marketer in every U.S. housewares category in which we compete by focusing on nationally recognized consumer brands."**  
**-- Jeff Siegel, Chairman and CEO**

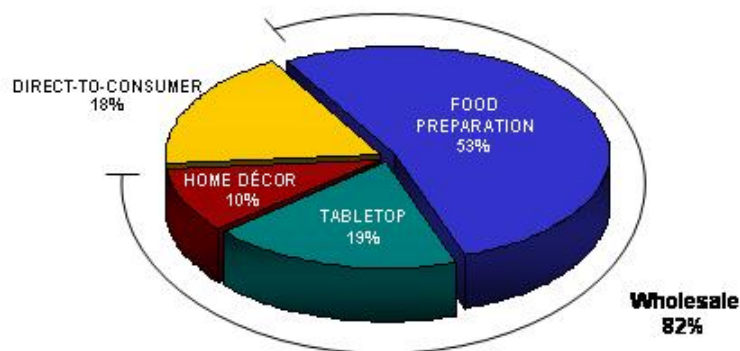
Note: In some figures, supplemental info has been

5



# Our Business

2006 Sales Forecast Breakdown



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# The Lifetime Advantage



**LIFETIME BRANDS**

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## Powerful Brands



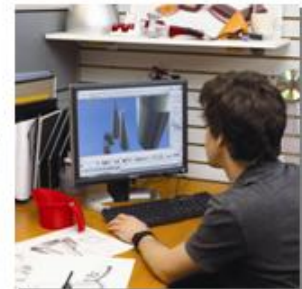
Over 30 brands, many the key aspirational brands for their category, including three of the top four Kitchenware brands

Multiple brands in each product category allow for the effective targeting consumers at every level of retailer



## Culture of Innovation

- ☛ In-house design and development department of 90 professionals located in five design centers in the U.S. and China
- ☛ Over 3,000 new products will be developed or redesigned in 2006
- ☛ Expertise in product design for manufacturability
- ☛ 140+ design and utility patents owned
- ☛ Investment in design technology allows rapid prototyping
  - Reduces time to market
  - Creates better trade relationships





# Sourcing Expertise

- **Sourcing products in the Far East for over 46 years**
- **Long-term direct relationships with primary vendors**
- **Four company-operated sourcing offices worldwide**
  - **Provide engineering, logistics, QC**
  - **Staffed with over 150 professionals**
- **Nine warehouse distribution centers located strategically near ports of entry in the U.S.**
- **Advanced electronic interfaces**



# Broad Distribution

<p><b>Mass Market Retailers</b></p>	<p><b>Department Stores</b></p>	<p><b>Specialty Stores</b></p>	<p><b>Electronic Retailers</b></p>
<p><b>Supermarkets</b></p>	<p>➤ <b>Distribute products through all distribution channels and price points</b></p> <p>➤ <b>Sell to 75+% of top 100 housewares retailers</b></p>		<p><b>Direct-to-Consumer</b></p> <p><b>84 Outlet Stores, Catalog &amp; Internet</b></p> <p><b>FARBERWARE®</b> Pfaltzgraff</p>
<p><b>Home Centers</b></p>	<p><b>Warehouse and Clubs</b></p>	<p><b>Off-Price Retailers</b></p>	<p><b>National Chains</b></p>



# Full Service Relationship Team

## Team-based

- Team composed of Relationship Managers and Category Specialists, not just individual salespeople
- Improves service levels and reduces risk of single point of customer contact

## Focused

- Emphasis placed on top 40 significant accounts which account for over 80% of sales
- Average organic sales growth of 20+% expected for significant accounts in 2006

## Experienced

- Each Division President has over 25 years in the industry
- Extensive training and clear internal promotion paths ensure the next generation of management

**Management team has significant equity ownership**

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# Agenda

☞ Investment Overview

☞ The Lifetime Advantage

**Operating Division Overviews**

☞ Strategy for Continued Growth

☞ Financial Performance

☞ Appendix: Financial Statements

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# Food Preparation

- ☛ #1 in \$9.1B U.S. food preparation market:
  - Kitchenware
  - Cutlery & Cutting Boards
  - Bakeware & Cookware
  - Pantryware & Spices
- ☛ 4,000+ Kitchenware products
- ☛ Cutlery sales in every style, at every price point (\$30 - \$300)
- ☛ Bakeware products in all major materials (metals, ceramics, silicone)
- ☛ Introducing Cookware under Hoffritz®, Pedrini® and Sabatier® brands in 2006
- ☛ Growing Pantryware sales by transitioning to higher margin items with added features



**KitchenAid** FARBERWARE® Cuisinart HOFFRITZ SABATIER PEDRINI ROSHCO



# Tabletop

- ☛ \$4.5M market in the U.S.
- ☛ Product of a series of four acquisitions in 2004-2006
- ☛ Growing sales and margins by leveraging product design and sourcing expertise to create products that appeal to modern tastes at competitive price points
- ☛ Calvin Klein Home®, Atlantis®, Sasaki®, Wallace® and Towle® brand names expediting entrée to the “upstairs” trade



Pfaltzgraff WALLACE SASAKI BLOCK JOSEPH ROUD  
 TOWLE SILVERSMITHS Calvin Klein home NAUTICA Cuisinart INTERNATIONAL SILVER COMPANY



# Home Décor

- ☛ **\$6.5B market in the U.S.**
- ☛ **Elements® offers trend-right seasonal and everyday décor products**
- ☛ **Melannco® a leading supplier of fashionable, upscale frames, photo albums and photo storage**
- ☛ **Innovative designs offer discernable benefits for the consumer**
- ☛ **Value priced but high perceived value**
- ☛ **Extensive product line refreshed every 90 days**
- ☛ **Unlimited opportunity for proprietary product development programs**



MELANCCO  Inspired by the Home

elements  Inspired by the Home



# Direct-to-Consumer Business

- ☛ **Sell household products directly to the consumer through:**
  - **84 retail outlet stores**
  - **Internet ([www.pfaltzgraff.com](http://www.pfaltzgraff.com))**
  - **Mail-order catalogs**
- ☛ **Significant growth opportunity**
  - **20% CAGR for Catalog and Internet sales (2003 - 2005)**
  - **4.5 million "active" names in database**
- ☛ **Growth potential from leveraging DTC infrastructure across all major brands, including direct sales over the Internet**
- ☛ **Developing new e-commerce selling sites for Farberware®, Towle®, Wallace®, Hoffritz® and Sasaki®**



Pfaltzgraff

FARBERWARE®



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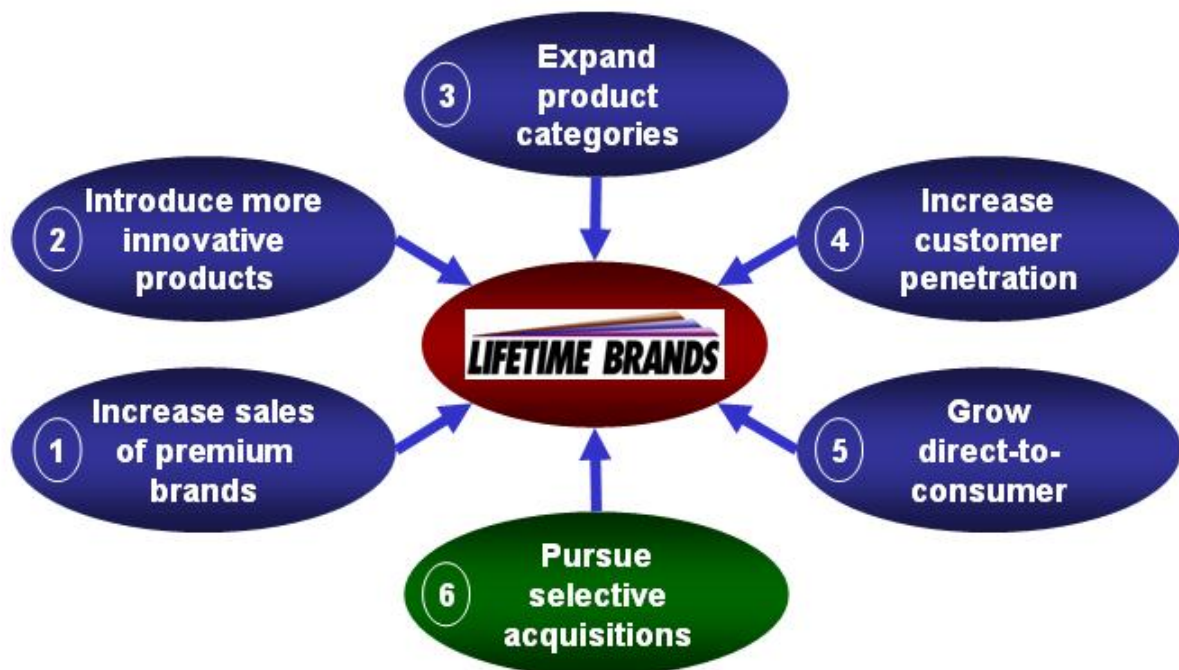
## Strategy for Continued Growth

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# Growth Drivers



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## Five Organic Growth Drivers

- 1 Increase sales of premium brands
  - Industry growth of 4-5% expected to continue to be weighted toward premium brands
  - Retailers with strongest growth favoring premium brands
- 2 Introduce more innovative products
  - Increase market share through continued introduction of new and unique products
  - Achieve higher price points through product differentiation
- 3 Expand product categories
  - Select attractive markets for product category extensions
  - Increase market size through prudent expansion of product breadth and selection
- 4 Increase customer penetration
  - Retailers favor wholesalers that reliably introduce value-added products and deliver sustained execution
  - Customer-centric sales teams drive share of shelf space
- 5 Grow direct-to-consumer
  - Leverage recently acquired Pfaltzgraff infrastructure across all major brands, including direct sales over the Internet
  - Expand use of database of 4.5MM consumers

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## Growth through Opportunistic Acquisitions

Abundant opportunities	Clear acquisition criteria	Proven integration capabilities
<p><b>Fragmented industry</b></p> <ul style="list-style-type: none"> <li>• Over 2,200 companies in the housewares market</li> <li>• Most small privately held with few exit options</li> </ul> <p>Many companies either lack known consumer brands or lack the ability to develop and source products effectively</p>	<p>Experienced in-house M&amp;A professionals apply rigorous analytical and strategic screens to each opportunity, including:</p> <ul style="list-style-type: none"> <li>• Brand strength</li> <li>• Category alignment</li> <li>• Value creation opportunity</li> <li>• Valuation</li> </ul> <p>Demonstrated discipline to walk away rather than overpay</p>	<p>Successfully integrated nine acquisitions of varying sizes since 1995</p> <p>Highly-leverageable infrastructure, including a SAP Enterprise 4.7 ERP system</p> <p>In-house professionals experienced in both operational integration and systems conversion projects</p>

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# Strategy Drives Acquisitions

Acquisition	Category	Strategic Value
SYRATECH	Tabletop/ Home Décor	<ul style="list-style-type: none"> <li>Added top flatware brands, opened home décor category</li> </ul>
Salton	Tabletop	<ul style="list-style-type: none"> <li>Strengthened tabletop in fine china and crystal categories with prestigious brands</li> </ul>
Pfaltzgraff	Tabletop	<ul style="list-style-type: none"> <li>Added wholesale and retail presence to tabletop; new product development expertise</li> </ul>
Excel	Food Prep/ Tabletop	<ul style="list-style-type: none"> <li>Added strong cutlery brand and also provided entry into attractive tabletop category</li> </ul>
Gemco®	Food Prep	<ul style="list-style-type: none"> <li>Added functional glassware products to kitchenware category with little additional SG&amp;A</li> </ul>
tuse	Bath	<ul style="list-style-type: none"> <li>New category extension into bath accessories</li> </ul>
KAMENSTEIN	Food Prep	<ul style="list-style-type: none"> <li>Expanded offering into spices, spice racks</li> </ul>
ROSHCO	Food Prep	<ul style="list-style-type: none"> <li>Facilitated entry into bakeware and cookware</li> </ul>
HOFRITZ	Food Prep	<ul style="list-style-type: none"> <li>Added strong brand with cutlery, kitchenware, bakeware and barware products</li> </ul>

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## Financial Performance

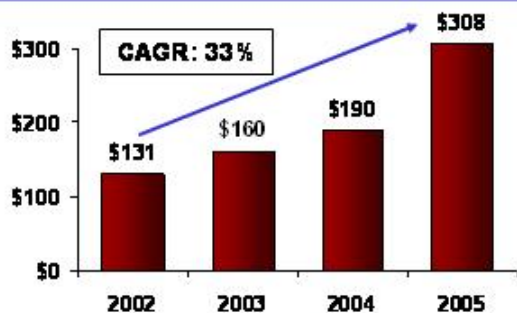
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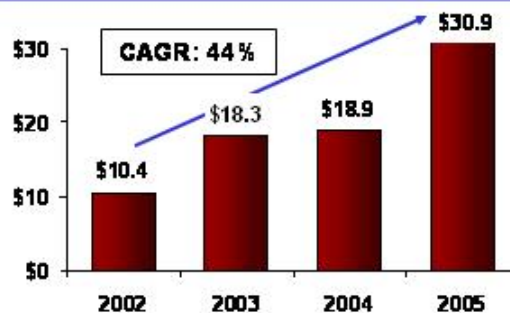


# History of Excellent Financial Performance

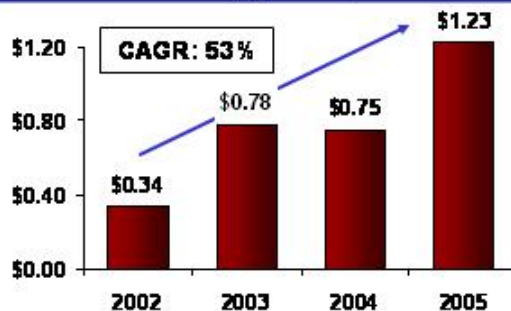
**Net Sales (\$MM)**



**EBITDA (\$MM)**



**EPS (\$ per share)**



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# Our Growth Targets

**Today**

**Target for next 3 – 5 years**

<b>Sales:</b>	2006 guidance: \$480 - \$490M • 20% organic CAGR 2002-05
<b>Margin:</b>	2006 operating profit margin: 8.0%
<b>EPS:</b>	2006 Guidance: \$1.45 - \$1.55

Sustained 15%+ top line organic growth

100+bp *per annum* improvement

25%+ EPS growth

**Acquisitions will be additive to long-term growth goals**

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# Drivers of Operating Margin Enhancement

- ☞ **Top-line revenue growth**
  - **Increase leverage from fixed cost infrastructure**
  - **Variable costs don't grow in direct proportion to sales**
- ☞ **Impact of post-acquisition cost reductions, e.g.**
  - **Integration of corporate back-office functions**
  - **Elimination of multiple ERP systems and infrastructure**
  - **Optimization of numerous distribution facilities**
- ☞ **Increased operational efficiencies**
  - **Leverage power of new SAP system across entire organization**
  - **Continually evaluate and optimize cost base**

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# Investment Highlights

- ☞ **Established track record of excellent financial performance**
- ☞ **Highly-differentiated operating model**
- ☞ **Clear strategy for continued organic growth, augmented with selective acquisitions**
- ☞ **Strong outlook for continued profitable growth**



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## Balance Sheet September 30, 2006

*Figures in 000's*

<u>Assets</u>		<u>Liabilities &amp; Equity</u>	
Cash	\$ 307	Short-term Debt	\$ 30,000
Accounts Receivable	76,809	Accounts Payable	35,895
Inventories	166,215	Other Current Liabilities	47,584
Other Current Assets	14,120	Deferred Liabilities	10,629
Property & Equipment	36,682	Long-term Debt	5,000
Intangibles	62,396	Convertible Notes	75,000
Other Assets	<u>5,740</u>	Stockholders' Equity	<u>158,161</u>
	<b>\$ 362,269</b>		<b>\$ 362,269</b>

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# Income Statement

Figures in 000's except per share

	Year Ended December 31,		Nine Months Ended September 30,	
	2004	2005	2005	2006
Net Sales	\$189,458	\$307,897	\$183,516	\$300,126
Operating Income	\$14,849	\$25,172	\$12,466	\$12,553
Net Income (Loss)	\$8,472	\$14,109	\$6,883	\$6,073
Diluted EPS	\$0.75	\$1.23	\$0.61	\$0.45

November 2006

