FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For quarter ended September 30, 1997

Commission file number 1-19254

Lifetime Hoan Corporation
(Exact name of registrant as specified in its charter)

Delaware 11-2682486
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

One Merrick Avenue, Westbury, NY 11590
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (516) 683-6000

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

APPLICABLE ONLY TO CORPORATE ISSUERS
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.
Common Stock, $.01 Par Value 12,496,262 shares outstanding as of October 31, 1997

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LIFETIME HOAN CORPORATION

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ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEETS
LIFETIME HOAN CORPORATION

	September 30, 1997 (unaudited)	December 31, 1996 (Note)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$37,991	$1,093,432
Accounts receivable, less allowances of $805,000 (1997) and $791,000 (1996)	14,744,508	14,000,366
Merchandise inventories	44,787,308	39,916,990
Prepaid expenses	4,113,652	4,930,194
Deferred income taxes	1,274,000	1,018,000
Other current assets	1,226,862	925,181
TOTAL CURRENT ASSETS	66,184,321	61,884,163
PROPERTY AND EQUIPMENT, at cost, net of accumulated depreciation and amortization of $5,000,972 (1997) and $4,016,403 (1996)	9,445,775	8,696,802
EXCESS OF COST OVER NET ASSETS ACQUIRED, net of Accumulated amortization of $822,200 (1997) and $773,300 (1996)	1,857,002	1,905,902
OTHER INTANGIBLES, net of accumulated amortization of $628,500 (1997) and $335,250 (1996)	11,047,634	11,340,884
OTHER ASSETS	989,728	944,164
	$89,524,460	$84,771,915
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and trade acceptances	$5,214,671	$4,012,132
Accrued expenses	5,042,312	6,882,422
Income taxes	1,315,841	1,318,728
Short term borrowings		1,000,000
TOTAL CURRENT LIABILITIES	11,572,824	13,213,282
STOCKHOLDERS' EQUITY		
Series B Preferred Stock, $1 par value, authorized 2,000,000 Shares; none issued		
Common Stock, $.01 par value, authorized 25,000,000 shares; Issued and outstanding 12,494,749 (1997) and 12,406,509 (1996)	124,948	124,065
Paid-in capital	75,182,094	74,756,842
Retained earnings	3,618,369	(2,336,661)
	78,925,411	72,544,246
Less:		
Notes receivable for shares issued to stockholders	908,064	908,064
Deferred compensation	65,711	77,549
	77,951,636	71,558,633
	$89,524,460	$84,771,915

Note: The Balance Sheet at December 31, 1996 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements.

See notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
LIFETIME HOAN CORPORATION

	Three Months Ended September 30, 1997	1996	Nine Months Ended September 30, 1997	1996
Net sales	$24,515,723	$25,116,296	$67,757,158	$65,380,614
Cost of sales	12,104,533	11,707,992	34,440,486	32,782,813
	12,411,190	13,408,304	33,316,672	32,597,801
Selling, general and	7,462,978	8,502,046	23,552,991	22,622,276
INCOME FROM OPERATIONS	4,948,212	4,906,258	9,763,681	9,975,525
Other (income) deductions:				
Interest expense	6,754	193,399	54,195	527,932
Other (income), net	(36,041)	(25,120)	(95,544)	(78,881)
INCOME BEFORE INCOME TAXES	4,977,499	4,737,979	9,805,030	9,526,474
Provision for federal, state and local Income taxes	1,923,000	1,865,000	3,850,000	3,710,000
NET INCOME	$3,054,499	$2,872,979	$5,955,030	$5,816,474
NET INCOME PER SHARE	$0.24	$0.23	$0.47	$0.46
WEIGHTED AVERAGE SHARES OUTSTANDING	12,673,562	12,689,031	12,648,537	12,678,828

See notes to condensed consolidated financial statements

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(UNAUDITED)

LIFETIME HOAN CORPORATION

	Common Stock Shares	Amount	Paid-in Capital	Retained Earnings	Notes Receivable from Stockholders	Deferred Compensation	Total
Balance at Dec. 31, 1996	12,406,509	$124,065	$74,756,842	($2,336,661)	($908,064)	($77,549)	$71,558,633
Exercise of stoc options	88,240	883	425,252				426,135
Net income for the Nine months ended September 30, 1997 30, 1997				5,955,030			5,955,030
Amortization of deferred compensation						11,838	11,838
Balance at Sept 30, 1997	12,494,749	$124,948	$75,182,094	$3,618,369	($908,064)	($65,711)	$77,951,636

See notes to condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
LIFETIME HOAN CORPORATION

	Nine Months Ended September 30, 1997	Nine Months Ended September 30, 1996
OPERATING ACTIVITIES		
Net income	$5,955,030	$5,816,474
Adjustments to reconcile net income to net cash Provided by / (used in) operating activities:		
Depreciation and amortization	1,347,136	1,122,484
Amortization of deferred compensation	11,838	11,838
Deferred tax (benefit)	(256,000)	70,000
Provision for losses on accounts receivable	1,952,824	446,256
Changes in operating assets and liabilities:		
Accounts receivable	(2,696,966)	(1,975,528)
Merchandise inventories	(4,870,318)	(73,089)
Prepaid expenses, other current assets and other assets	469,297	(2,233,752)
Accounts payable and trade acceptances and accrued expenses	(637,571)	2,785,077
Income taxes payable	(2,887)	744,071
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,272,383	6,713,831
INVESTING ACTIVITIES		
Purchase of property and equipment, net	(1,753,959)	(1,726,877)
Purchase of intangibles		(9,077,617)
NET CASH (USED IN) INVESTING ACTIVITIES	(1,753,959)	(10,804,494)
FINANCING ACTIVITIES		
(Repayments)/Proceeds from short term borrowings, net	(1,000,000)	3,800,000
Proceeds from the exercise of warrants		6,147
Proceeds from the exercise of stock options	426,135	111,566
Repayment of note receivable		140,000
NET CASH (USED IN) / PROVIDED BY FINANCING ACTIVITIES	(573,865)	4,057,713
(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,055,441)	(32,950)
Cash and cash equivalents at beginning of period	1,093,432	89,797
CASH AND CASH EQUIVALENTS AT END OF PERIOD...	$37,991	$56,847

See notes to condensed consolidated financial statements

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
LIFETIME HOAN CORPORATION

Note A - Basis of Presentation The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the nine month period ended September 30, 1997 are not necessarily indicative of the results that may be expected for the year ended

December 31, 1997. For further information, refer to the financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1996.

Note B - Inventories
Merchandise inventories, principally finished goods, are recorded at the lower of cost (first-in, first-out basis) or market.

Note C - Line of Credit Agreement
The Company has available an unsecured $25,000,000 line of credit with a bank (the "Line") which may be used for short term borrowings or letters of credit. As of September 30, 1997, the Company had $10,731,000 of letters of credit outstanding and no borrowings. The line is cancelable by either party at any time. Borrowings under the Line bear interest payable daily at a negotiated short term borrowing rate. The Company is charged a nominal fee on the entire Line.

Note D - Capital Stock
Net Income Per Share: Net income per common share is based on net income divided by the weighted average number of common shares and equivalents outstanding during the periods.

Recent Accounting Pronouncement: In February 1997, the Financial Accounting Standards Board issued Statement No. 128, Earnings Per Share, which is required to be adopted on December 31, 1997. At that time, the Company will be required to change the method currently used to compute earnings per share and to restate all prior periods. Under the new requirements for calculating primary earnings per share, the dilutive effect of stock options will be excluded. The new requirement is expected to have no impact on the third quarter ended September 30, 1997 or September 30, 1996 earnings per share. It is expected to increase earnings per share by $0.01 for each of the nine month periods ended September 30, 1997 and September 30, 1996. There is no expected impact of Statement 128 on the calculation of fully diluted earnings per share for these quarters or nine month periods.

Stock Dividend: On February 5, 1997, the Board of Directors of the Company declared a 10% stock dividend to shareholders of record on February 18, 1997, paid February 26, 1997. The stock dividend was recorded at its market value, $12.00 per share. All common stock data in the condensed consolidated financial statements give retroactive effect to the February 1997 stock dividend.

Note E - Meyer Agreement
On July 1, 1997, the Company entered into an agreement with Meyer Corporation, regarding the operation of the Company's Farberware retail outlet stores. Pursuant to the agreement, the Company will continue to own and operate the Farberware retail outlet stores, which the Company acquired in 1996. Meyer Corporation, the licensed manufacturer of Farberware branded cookware products, will merchandise, stock and offer Farberware cookware products for sale directly to the public in the Farberware stores and will be apportioned 60% of the selling space. Meyer Corporation will receive all revenue from sales of Farberware cookware, and will reimburse the Company an amount equal to 62.5% of the expenses, as defined, attributable to the stores.

In addition, Meyer acquired all cookware inventory from the Company for approximately $3.1 million. The Company has not recognized any gain or loss as a result of this transaction.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following table sets forth the operating data of the Company as a percentage of net sales for the periods indicated below.

	Three Months Ended September 30,	Nine Months Ended September 30,

	1997	1996	1997	1996
Net Sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	49.4	46.6	50.8	50.1
Gross profit	50.6	53.4	49.2	49.9
Selling, general and administrative expenses	30.4	33.9	34.8	34.6
Income from operations	20.2	19.5	14.4	15.3
Other (income), expense	0.0	0.8	0.0	0.8
Income before income taxes	20.2	18.8	14.4	14.5
Income taxes	7.8	7.4	5.7	5.7
Net Income	12.5 %	11.4 %	8.8 %	8.9 %

Three Months Ended September 30, 1997
Compared to Three Months Ended September 30, 1996

Net Sales
Net sales for the three months ended September 30, 1997 were $24.5 million, a 2.4% decrease of $601,000 from the comparable 1996 period. Excluding net sales of the Company's Farberware outlet stores, net sales increased approximately 5% over the comparable quarter in 1996. The growth came primarily from the Hoffritz and Farberware lines offset in part by decreased sales of certain "impulse purchase" products.

Net sales attributable to the outlet stores decreased as a result of the previously announced agreement signed in July 1997 with Meyer Corporation. Under the terms of the agreement, sales of cookware products in Farberware retail outlet stores are for the account of Meyer Corporation.

Gross Profit
Gross profit for the three months ended September 30, 1997 was $12.4 million, a decrease of 7.4% or $997,000 over the comparable 1996 period. Gross profit as a percentage of net sales was 50.6% as compared to 53.4% for the 1996 period. This decrease is primarily due to a change in the overall sales mix.

Selling, General and Administrative Expenses
Selling, general and administrative expenses for the three months ended September 30, 1997 were $7.5 million, a decrease of $1.0 million or 12.2% from the comparable 1996 period. Selling, general and administrative expenses as a percentage of net sales were 30.4% during the three month period in 1997 as compared to 33.9% for the 1996 period. This percentage decrease is primarily attributable to reduced operating expenses of the Farberware Outlet Stores resulting from the Meyer agreement along with reduced warehouse and insurance expenses.

Nine Months Ended September 30, 1997
Compared to Nine Months Ended September 30, 1996

Net Sales
Net sales for the nine months ended September 30, 1997 were $67.8 million, an increase of $2.4 million or 3.6% from the comparable 1996 period. The sales growth was primarily due to increased net sales in the Hoffritz and Farberware lines and Farberware Outlet Stores offset by decreased sales of certain "impulse-purchase" products.

Gross Profit
Gross profit for the nine months ended September 30, 1997 was $33.3 million, an increase of $719,000 or 2.2% over the comparable 1996 period. Gross profit as a percentage of net sales was 49.2% as compared to 49.9% for the 1996 period. This slight decrease is primarily due to a change in the overall sales mix.

Selling, General and Administrative Expenses
Selling, general and administrative expenses for the nine months ended September 30, 1997 were $23.6 million, an increase of $931,000 or 4.1% from the comparable 1996 period. Selling, general and administrative expenses as a percentage of net sales were relatively constant at 34.8% during the nine month period in 1997 as compared to 34.6% for the 1996 period.

Forward Looking Statements: This Quarterly Report on Form 10-Q contains certain forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including statements concerning the Company's future products, results of operations and prospects. These forward-looking statements involve risks and uncertainties, including risks relating to general economic and business conditions, including changes which could affect customer payment practices or consumer spending; industry trends; the loss of major customers; changes in demand for the Company's products; the timing of orders received from customers; cost and availability of raw materials; increases in costs relating to manufacturing and transportation of products; dependence on foreign sources of supply and foreign manufacturing; and the seasonal nature of the business as detailed elsewhere in this Quarterly Report on Form 10-Q and from time to time in the Company's filings with the Securities and Exchange Commission. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties which could cause actual results to differ materially from those described in the forward-looking statements.

LIQUIDITY AND CAPITAL RESOURCES

The Company has available an unsecured $25,000,000 line of credit with a bank (the "Line") which may be used for short term borrowings or letters of credit.

Borrowings under the Line bear interest payable daily at a negotiated short term borrowing rate. The Company is charged a nominal fee on the entire Line. As of September 30, 1997, the Company had no borrowings and $10,731,000 of letters of credit outstanding under the Line and, as a result, the availability under the Line was $14,269,000. The Line is cancelable by either party at any time.

At September 30, 1997, the Company had cash and cash equivalents of $38,000 versus $1.1 million at December 31, 1996, a decrease of $1.1 million. The decrease is primarily attributable to the Company's increased inventory levels and decreased accrued expenses offset by increased accounts payable and trade acceptances.

The Company estimates that approximately $7.0 million of capital expenditures originally scheduled for 1997 will be incurred in 1998. These expenditures are primarily for the new state of the art distribution facility. These expenditures will be financed from current operations and, if needed, short term borrowings.

Products are sold to retailers primarily on 30-day credit terms, and to distributors primarily on 60-day credit terms.

On July 1, 1997, the Company entered into an agreement with Meyer Corporation, regarding the operation of the Company's Farberware retail outlet stores. Pursuant to the agreement, the Company will continue to own and operate the Farberware retail outlet stores, which the Company acquired in 1996. Meyer Corporation, the licensed manufacturer of Farberware branded cookware products, will merchandise, stock and offer Farberware cookware products for sale directly to the public in the Farberware stores. Meyer Corporation will receive all revenue from sales of Farberware cookware, and will reimburse the Company an amount equal to 62.5% of the expenses, as defined, attributable to the stores.

In addition, Meyer acquired all cookware inventory from the Company for approximately $3.1 million. The Company did not recognize any gain or loss as a result of this transaction.

The Board of Directors of the Company declared a quarterly cash dividend of $0.0625 per share, payable on November 19,1997 to shareholders of record on November 5, 1997.

The Company believes that its cash and cash equivalents, internally generated funds and its existing credit arrangements will be sufficient to finance its operations and its dividend payments for the next 12 months.

The results of operations of the Company for the periods discussed have not been significantly affected by inflation or foreign currency fluctuation. The Company negotiates its purchase orders with its foreign manufacturers in United States dollars. Thus, notwithstanding any fluctuation in foreign currencies, the Company's cost for any purchase order is not subject to change after the time the order is placed. However, the weakening of the United States dollar against local currencies could lead certain manufacturers to increase their United States dollar prices for products. The Company believes it would be able to compensate for any such price increase.

PART II - OTHER INFORMATION

Item 6. Exhibit(s) and Reports on Form 8-K.

(a) Exhibit(s) in the third quarter of 1997:

Exhibit No.	Description
27	Financial Data Schedule

(b) Reports on Form 8-K in the third quarter of 1997: NONE

Exhibit 27. Financial Data Schedule

Lifetime Hoan Corporation

Financial Data Schedule

Pursuant to Item 601(c) of Regulation S-K

This schedule contains summary financial information extracted from the financial statements included in the form 10-Q and is qualified in its entirety by reference to such financial statements for the nine months ended September 30, 1997.

Item Number	Item Description	Amount
5-02(1)	Cash and Cash Items	$ 37,991
5-02(2)	Marketable Securities	$ 0
5-02(3)(a)(1)	Notes and Accounts Receivable - Trade	$ 14,819,508
5-02(4)	Allowances for Doubtful Accounts	$ 75,000
5-02(6)	Inventory	$ 44,787,308
5-02(9)	Total Current Assets	$ 66,184,321
5-02(13)	Property, Plant and Equipment	$ 14,446,747
5-02(14)	Accumulated Depreciation	$ 5,000,972
5-02(18)	Total Assets	$ 89,524,460
5-02(21)	Total Current Liabilities	$ 11,572,824
5-02(22)	Bonds, Mortgages and Similar Debt	$ 0
5-02(28)	Preferred Stock - Mandatory Redemption	$ 0
5-02(29)	Preferred Stock - No Mandatory Redemption	$ 0
5-02(30)	Common Stock	$ 124,948
5-02(31)	Other Stockholders' Equity	$ 77,826,688
5-02(32)	Total Liabilities and Stockholders' Equity	$ 89,524,460
5-03(b)1(a)	Net Sales of Tangible Products	$ 67,394,853
5-03(b)1	Total Revenues	$ 67,757,158
5-03(b)2(a)	Cost of Tangible Goods Sold	$ 34,440,486
5-03(b)2	Total Costs and Expenses Applicable to Sales and Revenues	$ 34,440,486
5-03(b)3	Other Costs and Expenses	$ 0
5-03(b)5	Provision for Doubtful Accounts and Notes	$ 392,895
5-03(b)(8)	Interest and Amortization of Debt Discount	$ 54,195
5-	Income Before Taxes and Other	$ 9,805,030

03(b)(10)	Items		
5-03(b)(11)	Income Tax Expense	$	3,850,000
5-03(b)(14)	Income/Loss Continuing Operations	$	5,955,030
5-03(b)(15)	Discontinued Operations	$	0
5-03(b)(17)	Extraordinary Items	$	0
5-03(b)(18)	Cumulative effect - Changes in Accounting Principles	$	0
5-03(b)(19)	Net Income or Loss	$	5,955,030
5-03(b)(20)	Earnings Per Share - Primary	$	0.47
5-03(b)(20)	Earnings Per Share - Fully Diluted	$	0.47

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 thereunto duly authorized.

Lifetime Hoan Corporation

/s/ Milton L. Cohen November 14, 1997

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Milton L. Cohen
Chairman of the Board of Directors
and President
(Principal Executive Officer)

/s/ Brian Lawrence November 14, 1997

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Brian Lawrence
Controller
(Principal Financial and Accounting Officer)