

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Sections 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): March 10, 2011

The Hillman Companies, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-13293
(Commission
File Number)

23-2874736
(I.R.S. Employer
Identification No.)

**10590 Hamilton Avenue
Cincinnati, Ohio 45231**
(Address of principal executive offices)

Registrant's telephone number, including area code: 513-851-4900

NOT APPLICABLE
(Former name or address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

- ☐ Written communication 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))

Forward-Looking Information

This current report on Form 8-K contains forward-looking statements, based on numerous assumptions and subject to risks and uncertainties. Although the Company believes that the forward-looking statements are reasonable, it does not and cannot give any assurance that its beliefs and expectations will prove to be correct. Many factors could significantly affect the Company's operations and cause the Company's actual results to differ substantially from the Company's expectations. Those factors include, but are not limited to: (i) general economic and construction business conditions; (ii) customer acceptance of the Company's products; (iii) relationships with key customers; (iv) materials and manufacturing costs; (v) the financial condition of customers, competitors and suppliers; (vi) technological developments; (vii) increased competition; (viii) changes in capital and credit market conditions; (ix) governmental and business conditions in countries where the Company's products are manufactured and sold; (x) changes in trade regulations; (xi) the effect of acquisition activity; (xii) changes in the Company's plans, strategies, objectives, expectations or intentions; and (xiii) other risks and uncertainties indicated from time to time in the Company's filings with the U.S. Securities and Exchange Commission. Actual results might differ materially from results suggested by any forward-looking statements in this report. The Company does not have an obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events or otherwise.

Item 2.02 Results of Operations and Financial Condition.

On March 11, 2011, The Hillman Companies, Inc. ("we", "us", "our, or the "Company") provided the following guidance on its results for the fiscal year ended December 31, 2010 in connection with the announcement of the proposed acquisition of TAGWORKS, L.L.C. ("TagWorks") by The Hillman Group, Inc. ("Hillman Group"), a subsidiary of the Company, and the launch of an offering of \$50 million aggregate principal amount of Hillman Group's 10.875% senior notes due 2018 (the "Notes") (each as described under Item 8.01 below):

For the fiscal year ended December 31, 2010, based on information currently available to the Company, the Company expects net sales to be between \$455 million and \$470 million, income from operations to be between \$5.6 million and \$10.6 million, and Adjusted EBITDA (as defined below) to be between \$80 million and \$85 million. After giving pro forma effect to the Company's acquisition by affiliates of Oak Hill Capital Partners on May 28, 2010, including related financing transactions and the acquisition of licenses from Quick-Tag, Inc., and as further adjusted to give effect to the Company's previously announced acquisition of Serv-A-Lite Products, Inc. and the proposed acquisition of TagWorks (as described below), in each case as if they had occurred on January 1, 2010, the Company estimates full year 2010 net sales to be between \$490 million and \$507 million and Adjusted EBITDA to be between \$90 million and \$96.5 million.

Below is a reconciliation of net sales to Adjusted EBITDA and Pro Forma Adjusted EBITDA, for the periods indicated:

(Amounts in thousands)	Three Months Ended December 31, 2010	
	Low	High
Net sales	\$99,000	\$114,000
Income from operations	3,000	8,000
Add back: Depreciation and amortization	9,300	9,300
Management fees to a related party		
Share based compensation expense		
Exchange rate (gain) loss	(150)	(150)
Non-recurring expenses	350	350
Other, net	1,000	1,000
Adjusted EBITDA (1)	<u>\$13,500</u>	<u>\$ 18,500</u>

(Amounts in thousands)	Twelve Months Ended December 31, 2010	
	Low	High
Net sales	\$455,000	\$470,000
Pro forma adjustments (2)	35,000	37,000
Pro forma net sales (2)	<u>\$490,000</u>	<u>\$507,000</u>
Income from operations	5,581	10,581
Add back: Depreciation and amortization	31,600	31,600
Management fees to a related party	438	438
Share based compensation expense	19,053	19,053
Exchange rate (gain) loss	(400)	(400)
Non-recurring expenses	22,492	22,492
Other, net	1,236	1,236
Adjusted EBITDA (1)	<u>\$ 80,000</u>	<u>\$ 85,000</u>
Pro forma adjustments (2)	10,000	11,500
Pro forma adjusted EBITDA	<u>\$ 90,000</u>	<u>\$ 96,500</u>

NOTES:

- (1) Adjusted EBITDA, a non-GAAP measure, is defined as income from operations plus depreciation and amortization, share based compensation expense, management fees to a related party, foreign exchange gains and losses and non-recurring expenses. The Company believes that Adjusted EBITDA provides useful information to holders of the Company's trust preferred securities and debt holders regarding the Company's operating performance, capacity to incur and service debt, make distributions to holders of the trust preferred securities and fund capital expenditures. The Company believes that Adjusted EBITDA is used by many investors, analysts and rating agencies as a measure of performance. In addition, Adjusted EBITDA approximates Consolidated Adjusted EBITDA as defined in our senior credit facility and indenture relating to the Company's senior notes. Adjusted EBITDA is not defined by GAAP and should not be considered in isolation or as an alternative to other financial data prepared in accordance with GAAP or as an indicator of the Company's operating performance. Adjusted EBITDA as defined in this release may differ from similarly titled measures presented by other companies.
- (2) The pro forma adjustments for the twelve months ended December 31, 2010 give effect to the Company's acquisition by affiliates of Oak Hill Capital Partners on May 28, 2010, including related financing transactions and the May 28, 2010 purchase of the Quick-Tag license, the December 29, 2010 acquisition of Serv-A-Lite Products, Inc., and the proposed acquisition of TagWorks, in each case as if they had occurred on January 1, 2010.

The preliminary financial data set forth in this section has been prepared by, and is the responsibility of, our management. The foregoing information and estimates have not been compiled or examined by our independent auditors and they are subject to revision as we prepare our financial statements as of and for the year ended December 31, 2010, including all disclosures required by GAAP, and as our auditors conduct their audit of these financial statements. Because we have not completed our normal quarterly closing and review procedures for the year ended December 31, 2010, and subsequent events may occur that require adjustments to these results, there can be no assurance that the final results for the year ended December 31, 2010 will not differ materially from these estimates. These estimates should not be viewed as a substitute for full financial statements prepared in accordance with U.S. GAAP or as a measure of performance. In addition, these estimated results of operations for full year 2010 are not necessarily indicative of the results to be achieved for any future period. See "Forward-Looking Information."

The information under Item 2.02 of this Form 8-K is being furnished under Item 2.02. Such information 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 liabilities of that Section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 8.01. Other Events.

Proposed Acquisition of TagWorks, L.L.C.

On March 11, 2011, the Company issued a press release announcing that Hillman Group has entered into a purchase agreement to acquire all of the membership interests in TagWorks for an initial purchase price of \$40 million. The closing purchase price is subject to post-closing adjustments for certain changes in indebtedness and working capital of TagWorks and certain transaction expenses, in each case as provided in the purchase agreement. In addition, subject to fulfillment of certain conditions, Hillman Group will pay additional consideration of \$12.5 million to the sellers of TagWorks on October 31, 2011, and an additional earn-out payment of up to \$12.5 million in 2012. In conjunction with this agreement, Hillman Group is entering into a 17 year agreement with KeyWorks-KeyExpress, LLC, a company affiliated with TagWorks, to assign its patent-pending retail key program technology to The Hillman Group.

A press release relating to the proposed acquisition is furnished as Exhibit 99.1 hereto.

Offering of 10.875% Senior Notes due 2018

On March 11, 2011, the Company issued a press release announcing that Hillman Group has commenced an offering of \$50 million aggregate principal amount of its Senior Notes due 2018. A press release relating to the offering is furnished as Exhibit 99.2 hereto.

The information under Item 8.01 of this Form 8-K and the press releases exhibited thereto are being furnished under Item 8.01. Such information shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section, and shall not be deemed to be incorporated by reference into any of the Company’s filings under Securities Act, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibits.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated March 11, 2011.
99.2	Press Release dated March 11, 2011.

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.

THE HILLMAN COMPANIES, INC.
(Registrant)

Date: March 11, 2011

By: /S/ JAMES P. WATERS
Name: **James P. Waters**
Title: **Chief Financial Officer**

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated March 11, 2011.
99.2	Press Release dated March 11, 2011.

HILLMAN ANNOUNCES PROPOSED ACQUISITION OF TAGWORKS

CINCINNATI, March 11, 2011/PRNewswire-FirstCall/ — The Hillman Companies, Inc. (NYSE-Amex: HLM_P) (the “Company” or “Hillman”), announced today that its subsidiary, The Hillman Group, Inc. entered into a purchase agreement to acquire all of the membership interests in TAGWORKS, L.L.C. for an initial purchase price of \$40.0 million in cash. TagWorks is responsible to pay \$18.5 million of outstanding debt and transaction fees from proceeds at close. The closing purchase price is subject to post-closing adjustments for certain changes in indebtedness and working capital of TagWorks and certain transaction expenses, in each case as provided in the purchase agreement. In addition, subject to fulfillment of certain conditions, Hillman Group will pay additional consideration of \$12.5 million to the sellers of TagWorks on October 31, 2011, and an additional earn-out payment in 2012. The transaction is subject to customary closing conditions including the receipt by The Hillman Group of adequate financing. The transaction is currently expected to close on March 16, 2011, concurrently with the closing of The Hillman Group’s recently announced offering of 10.875% senior notes due 2018.

Founded in 2007 by George Hagen, TagWorks provides an innovative pet ID tag program to Petsmart using a unique, patent-protected / patent-pending technology and product portfolio.

In conjunction with this agreement, Hillman Group is entering into a 17 year agreement with KeyWorks-KeyExpress, LLC, a company affiliated with TagWorks, to assign its patent-pending retail key program technology to The Hillman Group.

Max W. (“Mick”) Hillman, Jr., Chief Executive Officer of Hillman, said “We have been extremely impressed with TagWorks product innovation capabilities and the energy and drive George Hagen and his team bring to the table. We look forward to working alongside the TagWorks and KeyWorks teams to expand our technology portfolio and improve the retail customer experience.”

Tyler Wolfram, Chairman of Hillman and Partner at Oak Hill Capital Partners stated, “We are enthusiastic about this business combination. The acquisition of TagWorks is consistent with our investment thesis of leveraging Hillman’s scale and infrastructure to grow our core business lines and provide greater innovation and value to our customers.”

Founded in 1964 and headquartered in Cincinnati, Ohio, Hillman is a leading value-added distributor of over 60,000 SKUs, consisting of fasteners, key duplication systems, engraved tags and related hardware items to over 20,000 retail customers in the U.S., Canada, Mexico, South America and Australia, including home improvement centers, mass merchants, national and regional hardware stores, pet supply stores and other retailers. Hillman provides a comprehensive solution to its retail customers for managing SKU intensive, complex home improvement categories. Hillman also offers its customers value-added services, such as inventory management and in-store merchandising services.

In May 2010, Oak Hill Capital Partners and Hillman’s management team formed a partnership to acquire Hillman. Oak Hill Capital Partners is a private equity firm with more than \$8 billion of committed capital from leading entrepreneurs, endowments, foundations, corporations, pension funds and global financial institutions. Oak Hill Capital Partners is one of several Oak Hill partnerships, each of which has a dedicated and independent management team. These Oak Hill partnerships comprise over \$30 billion of investment capital across multiple asset classes. For more information about Oak Hill Capital Partners, visit www.oakhillcapital.com.

For more information on the Company, please visit our website at <http://hillmangroup.com> or call Investor Relations at (513) 851-4900, ext. 2084.

THE HILLMAN GROUP ANNOUNCES SENIOR NOTES OFFERING

Cincinnati, Ohio (March 11, 2011) – In connection with its recently announced proposed acquisition of TAGWORKS, L.L.C., The Hillman Group, Inc., a subsidiary of The Hillman Companies, Inc., announced that it has commenced an offering of \$50 million aggregate principal amount of its 10.875% Senior Notes due 2018. The Hillman Group previously issued \$150 million aggregate principal amount of its 10.875% Senior Notes due 2018 in May 2010. The Hillman Group expects to use the net proceeds from the offering of the notes to fund the acquisition of TagWorks, to repay a portion of indebtedness under its revolving credit facility and to pay related fees, expenses and other related payments. The notes will be guaranteed by The Hillman Companies, Hillman Investment Company and all of the domestic subsidiaries of The Hillman Group.

The notes have not been and will not initially be registered under the Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws. Accordingly, the notes will be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and other applicable securities laws, pursuant to registration or exemption therefrom.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the notes, nor shall there be any offer, solicitation or sale of any notes in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Forward-Looking Statements

Statements included herein may constitute “forward-looking statements,” which relate to future events or the future performance of financial condition of The Hillman Companies following the acquisition of TagWorks by The Hillman Group. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results and condition may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in The Hillman Companies’ filings with the Securities and Exchange Commission. The Hillman Companies undertakes no duty to update any forward-looking statements made herein.

For more information on Hillman, please visit our website at <http://www.hillmangroup.com> or call Investor Relations at (513) 851-4900, Ext. 2084