

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): July 22, 2009

TRUEBLUE, INC.

(Exact Name of Registrant as Specified in Its Charter)

Washington

(State or Other Jurisdiction of Incorporation)

001-14543

(Commission File Number)

91-1287341

(IRS Employer Identification No.)

1015 A Street, Tacoma, Washington
(Address of Principal Executive Offices)

98402
(Zip Code)

(253) 383-9101

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(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 *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))

Item 2.02. Results of Operations and Financial Condition.

On July 22, 2009, TrueBlue, Inc. (the “Company”) issued a press release (the “Press Release”) reporting its financial results for the second quarter ended June 26, 2009 and revenue and earnings guidance for the third quarter of 2009, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference.

Item 7.01. Regulation FD Disclosure.

In connection with the scheduled conference call at 2 p.m. (PT), Wednesday, July 22, 2009 to discuss the Company’s financial results for the second quarter ended June 26, 2009, management of the Company may discuss or refer to some of the information contained in the attached “2009 Assumptions” document, which is attached to this report as Exhibit 99.2.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Press Release and the “2009 Assumptions” document shall not be deemed “Filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Press Release or the “2009 Assumptions” document be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 99.1 Press Release of the Company dated July 22, 2009.
- 99.2 “2009 Assumptions” document.

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.

TRUEBLUE, INC.
(Registrant)

Date: July 22, 2009

By: /s/ Derrek L. Gafford

Derrek L. Gafford
Chief Financial Officer and Executive Vice President

FOR IMMEDIATE RELEASE:

TRUEBLUE REPORTS SECOND QUARTER 2009 RESULTS

TACOMA, WA.—July 22, 2009—TrueBlue, Inc. (NYSE:TBI) today reported net income of \$3.7 million or \$0.09 per diluted share for the quarter ended June 26, 2009, compared to net income of \$16.7 million or \$0.39 per diluted share for the second quarter of 2008. Revenue for the quarter was \$247 million, a decrease of 33 percent compared to the second quarter of 2008.

“We continue to manage our business with tremendous discipline and experienced better-than-expected results in several areas this quarter,” said TrueBlue CEO Steve Cooper. “Monthly same branch revenue trends improved, our risk management programs drove lower workers’ compensation expense, and our focused approach to controlling costs further reduced operating expenses. Our results demonstrate the strong operating leverage in our business model as well as the expanded need for our services.”

TrueBlue closed 36 branches in the quarter, resulting in 775 branches in operation at the end of the quarter.

For the third quarter of 2009, TrueBlue estimates revenue in the range of \$267 million to \$277 million and net income per diluted share for the quarter of \$0.10 to \$0.15.

The company filed a \$100 million Shelf Registration Statement today with the Securities and Exchange Commission which, when effective, will allow the company to sell various securities in amounts and prices determined at the time of sale. The filing will enable the company to access capital efficiently and quickly if needed, however, it has no current plans to make an offering.

About TrueBlue

TrueBlue, Inc. (NYSE: TBI) is the leading provider of blue-collar staffing with revenue of approximately \$1.4 billion in 2008. Each year, TrueBlue connects approximately 500,000 people to work through the following brands: Labor Ready, Spartan Staffing, CLP Resources, PlaneTechs, and TLC. Headquartered in Tacoma, Wash., TrueBlue serves approximately 250,000 small to mid-sized businesses in wholesale, services, transportation, manufacturing, retail, and construction industries. For more information, visit TrueBlue’s website at www.TrueBlueInc.com

Forward-looking Statements

This news release contains forward-looking statements, such as statements about the ranges of revenues, gross margins and net income/(loss) anticipated for future periods, improvements in safety and workers’ compensation claims and costs, strategies for increasing revenue and net income, and other factors that may affect TrueBlue’s financial results and operations in the future. TrueBlue’s actual results are, however, subject to a number of risks, including without limitation the following: 1) national and global economic conditions, including the impact of changes in national and global credit markets and other changes on TrueBlue customers; 2) TrueBlue’s ability to continue to attract and retain customers and maintain profit margins in the face of new and existing competition; 3) potential new laws and regulations that could have a materially adverse effect on TrueBlue’s operations and financial results; 4) significant labor disturbances which could disrupt industries TrueBlue serves; 5) increased costs and collateral requirements in connection with TrueBlue’s insurance obligations, including workers’ compensation insurance; 6) the adequacy of TrueBlue’s financial reserves; 7) TrueBlue’s continuing ability to comply with financial covenants in its lines of credit and other financing agreements; 8) TrueBlue’s ability to attract and retain competent employees in key positions or to find temporary employees or skilled trade workers to fulfill the needs of our customers; 9) TrueBlue’s ability to successfully complete and integrate acquisitions that it may make from time to time; 10) TrueBlue’s ability to timely execute strategies for acquired companies; and 11) other risks described in TrueBlue’s filings with the Securities and Exchange Commission, including its most recent Form 10-K and Form 10-Q filings.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make an offer, solicitation or sale in such jurisdiction. The offering of these securities will be made only by means of the prospectus supplement and accompanying prospectus

Contacts

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Stacey Burke, VP of Corporate Communications
253-680-8291

TrueBlue, Inc.
SUMMARY CONSOLIDATED STATEMENTS OF OPERATIONS
In Thousands, except per share data
(Unaudited)

| | Thirteen Weeks Ended | | Twenty-Six Weeks Ended | |
|--|----------------------|------------------|------------------------|------------------|
| | June 26, 2009 | June 27, 2008 | June 26, 2009 | June 27, 2008 |
| Revenue from services | \$ 247,011 | \$ 370,710 | \$ 471,425 | \$ 694,726 |
| Cost of services | 174,181 | 260,167 | 335,924 | 485,828 |
| Gross profit | 72,830 | 110,543 | 135,501 | 208,898 |
| Selling, general and administrative expenses | 63,383 | 84,569 | 131,694 | 167,053 |
| Depreciation and amortization | 4,280 | 3,967 | 8,425 | 7,875 |
| Income (loss) from operations | 5,167 | 22,007 | (4,618) | 33,970 |
| Interest and other income, net | 712 | 1,624 | 1,913 | 3,520 |
| Income (loss) before tax expense (benefit) | 5,879 | 23,631 | (2,705) | 37,490 |
| Income tax expense (benefit) | 2,149 | 6,903 | (1,132) | 11,961 |
| Net income (loss) | <u>\$ 3,730</u> | <u>\$ 16,728</u> | <u>\$ (1,573)</u> | <u>\$ 25,529</u> |
| Net income (loss) per common share: | | | | |
| Basic | \$ 0.09 | \$ 0.39 | \$ (0.04) | \$ 0.59 |
| Diluted | \$ 0.09 | \$ 0.39 | \$ (0.04) | \$ 0.59 |
| Weighted average shares outstanding: | | | | |
| Basic | 42,836 | 43,194 | 42,759 | 43,278 |
| Diluted | 42,921 | 43,338 | 42,759 | 43,416 |

TrueBlue, Inc.
SUMMARY CONSOLIDATED BALANCE SHEETS
In Thousands
(Unaudited)

| | June 26, 2009 | December 26, 2008 |
|---|--------------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 103,942 | \$ 108,102 |
| Accounts receivable, net | 108,026 | 104,979 |
| Other current assets | 21,154 | 29,723 |
| Total current assets | 233,122 | 242,804 |
| Property and equipment, net | 61,566 | 61,542 |
| Restricted cash | 123,349 | 120,323 |
| Other assets | 91,941 | 95,006 |
| Total assets | <u>\$ 509,978</u> | <u>\$ 519,675</u> |
| Liabilities and shareholders' equity | | |
| Current liabilities | \$ 81,656 | \$ 95,308 |
| Long-term liabilities | 157,081 | 154,238 |
| Total liabilities | 238,737 | 249,546 |
| Shareholders' equity | 271,241 | 270,129 |
| Total liabilities and shareholders' equity | <u>\$ 509,978</u> | <u>\$ 519,675</u> |

TrueBlue, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
In Thousands
(Unaudited)

| | <u>Twenty-Six Weeks Ended</u> | |
|--|--------------------------------|--------------------------------|
| | <u>June 26,</u> <u>2009</u> | <u>June 27,</u> <u>2008</u> |
| Cash flows from operating activities: | | |
| Net income (loss) | \$ (1,573) | \$ 25,529 |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | |
| Depreciation and amortization | 8,425 | 7,875 |
| Provision for doubtful accounts | 3,923 | 4,453 |
| Stock-based compensation | 4,024 | 4,504 |
| Deferred income taxes | 3,561 | (2,087) |
| Other operating activities | 1,181 | 146 |
| Changes in operating assets and liabilities, exclusive of business acquired: | | |
| Accounts receivable | (6,969) | (2,475) |
| Income taxes | 7,610 | (6,092) |
| Other assets | (1,143) | 2,512 |
| Accounts payable and other accrued expenses | (4,793) | (2,502) |
| Accrued wages and benefits | (985) | 1,633 |
| Workers' compensation claims reserve | (5,406) | 3,141 |
| Other liabilities | (134) | (2,717) |
| Net cash provided by operating activities | <u>7,721</u> | <u>33,920</u> |
| Cash flows from investing activities: | | |
| Capital expenditures | (7,329) | (11,681) |
| Purchases of marketable securities | — | (27,146) |
| Maturities of marketable securities | — | 37,055 |
| Acquisition of business, net of cash acquired | — | (22,574) |
| Change in restricted cash | (3,026) | 11,240 |
| Other | (71) | (21) |
| Net cash used in investing activities | <u>(10,426)</u> | <u>(13,127)</u> |
| Cash flows from financing activities: | | |
| Purchases and retirement of common stock | — | (11,501) |
| Net proceeds from sale of stock through options and employee benefit plans | 529 | 1,208 |
| Shares withheld for taxes upon vesting of restricted stock | (749) | (850) |
| Payments on debt | (207) | (128) |
| Other | (960) | (229) |
| Net cash used in financing activities | <u>(1,387)</u> | <u>(11,500)</u> |
| Effect of exchange rates on cash | (68) | (552) |
| Net change in cash and cash equivalents | (4,160) | 8,741 |
| CASH AND CASH EQUIVALENTS, beginning of period | <u>108,102</u> | <u>57,008</u> |
| CASH AND CASH EQUIVALENTS, end of period | <u>\$103,942</u> | <u>\$ 65,749</u> |

TrueBlue, Inc.
2009 ASSUMPTIONS
(Unaudited)

| | 2009 Estimates |
|---|---------------------------|
| Branches in operation on June 26, 2009 | 775 |
| Branches closed year to date | 77 |
| Revenue loss from announced branch closings | -6% |
| Reduction in SG&A from branch closures in 2008 & 2009 | \$30 M |
| Revenue growth from 2008 acquisitions | 1% |
| Incremental SG&A from 2008 acquisitions | \$3 M |
| Variable SG&A associated with same branch revenue | 6% |
| Gross Margin | 28.5% - 29.0% |
| Depreciation & Amortization | \$17.5 M |
| Capital Expenditures | \$15 M |
| Income Taxes | |
| Statutory income tax rate | 39% |
| Tax credits net of non-deductable items | \$0.3 M |
| Weighted Average Diluted Share Count | 43 M |

TrueBlue, Inc.
Analysis of Revenue Growth / (Decline)
(Unaudited)

| | <u>Thirteen Weeks Ended</u> | | <u>Twenty-Six Weeks Ended</u> | |
|------------------------------------|-----------------------------|--------------------------|-------------------------------|--------------------------|
| | <u>June 26, 2009</u> | <u>June 27, 2008</u> | <u>June 26, 2009</u> | <u>June 27, 2008</u> |
| Major Revenue Trends | | | | |
| Organic revenue growth / (decline) | -34.2% | -12.2% | -32.9% | -8.1% |
| Acquisitions within last 12 months | 0.8% | 17.8% | 0.8% | 16.4% |
| Total revenue growth / (decline) | <u>-33.4%</u> | <u>5.6%</u> | <u>-32.1%</u> | <u>8.3%</u> |
| Organic Revenue Trends* | | | | |
| Same branch | -27.4% | -10.5% | -29.6% | -6.7% |
| New branches | 0.2% | 0.9% | 0.2% | 1.1% |
| Closed branches | -8.2% | -3.3% | -6.7% | -3.2% |
| Currency | -0.4% | 0.3% | -0.6% | 0.3% |
| Holiday shift | -0.4% | 0.4% | 0.0% | 0.0% |

* Percentages for organic revenue components do not sum to total organic revenue growth as same branch growth is determined off a revenue base of branches open for 12 or more months, whereas other organic revenue growth components are measured off a total revenue base.

TrueBlue, Inc.
Analysis of Year-Over-Year Same Branch Revenue Growth / (Decline)
(Unaudited)

| | <u>Same Branch Growth/ (Decline)</u> |
|--|--|
| January 2009 same branch sales growth | -30.2% |
| February 2009 same branch sales growth | -31.9% |
| March 2009 same branch sales growth | -35.3% |
| April 2009 same branch sales growth | -31.2% |
| May 2009 same branch sales growth | -29.3% |
| June 2009 same branch sales growth | -23.9% |