

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 21, 2010

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 21, 2010, TrueBlue, Inc. (the "Company") issued a press release (the "Press Release") reporting its financial results for the second quarter ended June 25, 2010 and revenue and earnings guidance for the third quarter of 2010, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Press Release) 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 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 21, 2010.

FOR IMMEDIATE RELEASE:

TRUEBLUE REPORTS 2010 SECOND QUARTER RESULTS

TACOMA, WA. – July 21, 2010—TrueBlue, Inc. (NYSE:TBI) today reported net income of \$7.9 million or \$0.18 per diluted share for the second quarter of 2010, compared to net income of \$ 3.7 million or \$0.09 per diluted share for the second quarter of 2009. Revenue for the quarter was \$285 million, a 15 percent increase compared to revenue of \$247 million for the second quarter of 2009.

Included in net income for the second quarter of 2010 was \$1.3 million or \$0.03 per diluted share of income tax benefit related to the favorable development of a prior period tax matter.

“We experienced strong revenue growth throughout the quarter,” said TrueBlue CEO Steve Cooper. “Our revenue growth combined with our continued ability to successfully manage costs resulted in substantial profit growth.”

Cooper continued, “We are seeing customers increase their use of temporary labor to improve the flexibility of their workforce. With our highly-trained sales force and strong service offering, we believe TrueBlue is well positioned to meet this growing need.”

TrueBlue closed a net of eight branches in the second quarter, resulting in 739 branches in operation at the end of the quarter.

For the third quarter of 2010, TrueBlue estimates revenue in the range of \$295 million to \$305 million and net income per diluted share for the quarter of \$0.15 to \$0.20.

Management will discuss second quarter 2010 results on a conference call at 2 p.m. (PT), today, Wednesday, July 21, 2010. The conference call can be accessed on TrueBlue’s web site: www.TrueBlueInc.com.

About TrueBlue

TrueBlue, Inc. is a leading provider of blue-collar staffing. In 2009, TrueBlue connected approximately 300,000 people to work through the following brands: Labor Ready, Spartan Staffing, CLP Resources, PlaneTechs, and Centerline, and served approximately 175,000 businesses in the services, retail, wholesale, manufacturing, transportation, and construction industries. TrueBlue, Inc. is headquartered in Tacoma, Wash. 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) 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 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.

Contacts

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

| | Thirteen Weeks | | Twenty-Six Weeks | |
|--|-------------------|------------------|-------------------|------------------|
| | Ended | Ended | Ended | Ended |
| | June 25, 2010 | June 26, 2009 | June 25, 2010 | June 26, 2009 |
| Revenue from services | \$ 284,804 | \$ 247,011 | \$ 524,655 | \$ 471,425 |
| Cost of services | 208,974 | 174,181 | 387,700 | 335,924 |
| Gross profit | 75,830 | 72,830 | 136,955 | 135,501 |
| Selling, general and administrative expenses | 61,269 | 63,383 | 122,484 | 131,694 |
| Depreciation and amortization | 3,919 | 4,280 | 8,014 | 8,425 |
| Income (loss) from operations | 10,642 | 5,167 | 6,457 | (4,618) |
| Interest and other income, net | 190 | 712 | 518 | 1,913 |
| Income (loss) before tax benefit | 10,832 | 5,879 | 6,975 | (2,705) |
| Income tax expense (benefit) | 2,911 | 2,149 | 1,314 | (1,132) |
| Net income (loss) | \$ 7,921 | \$ 3,730 | \$ 5,661 | \$ (1,573) |
| Net income (loss) per common share: | | | | |
| Basic | \$ 0.18 | \$ 0.09 | \$ 0.13 | \$ (0.04) |
| Diluted | \$ 0.18 | \$ 0.09 | \$ 0.13 | \$ (0.04) |
| Weighted average shares outstanding: | | | | |
| Basic | 43,223 | 42,836 | 43,160 | 42,759 |
| Diluted | 43,502 | 42,921 | 43,439 | 42,759 |

TRUEBLUE, INC.
SUMMARY CONSOLIDATED BALANCE SHEETS
In Thousands
(Unaudited)

| | <u>June 25,</u> <u>2010</u> | <u>December 25,</u> <u>2009</u> |
|---|--------------------------------|------------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 140,927 | \$ 124,377 |
| Accounts receivable, net | 115,822 | 105,246 |
| Other current assets | <u>17,194</u> | <u>18,440</u> |
| Total current assets | 273,943 | 248,063 |
| Property and equipment, net | 55,965 | 60,353 |
| Restricted cash | 114,464 | 124,012 |
| Other assets, net | <u>85,087</u> | <u>85,701</u> |
| Total assets | <u>\$ 529,459</u> | <u>\$ 518,129</u> |
| Liabilities and shareholders' equity | | |
| Current liabilities | | |
| | \$ 87,007 | \$ 84,835 |
| Long-term liabilities | | |
| | <u>148,261</u> | <u>147,862</u> |
| Total liabilities | 235,268 | 232,697 |
| Shareholders' equity | | |
| Total liabilities and shareholders' equity | <u>\$ 529,459</u> | <u>\$ 518,129</u> |

TRUEBLUE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
In Thousands
(Unaudited)

| | Twenty-Six Weeks | |
|---|------------------|------------------|
| | Ended | Ended |
| | June 25, 2010 | June 26, 2009 |
| Cash flows from operating activities: | | |
| Net income (loss) | \$ 5,661 | \$ (1,573) |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | |
| Depreciation and amortization | 8,014 | 8,425 |
| Provision for doubtful accounts | 4,328 | 6,444 |
| Stock-based compensation | 3,915 | 4,024 |
| Deferred income taxes | 2,782 | 3,561 |
| Other operating activities | 63 | 1,181 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (14,904) | (9,490) |
| Income taxes | (2,450) | 7,610 |
| Other assets | 312 | (1,143) |
| Accounts payable and other accrued expenses | (406) | (4,793) |
| Accrued wages and benefits | 5,514 | (985) |
| Workers' compensation claims reserve | (2,511) | (5,406) |
| Other liabilities | 167 | (134) |
| Net cash provided by operating activities | 10,485 | 7,721 |
| Cash flows from investing activities: | | |
| Capital expenditures | (2,457) | (7,329) |
| Change in restricted cash | 9,548 | (3,026) |
| Other | 29 | (71) |
| Net cash provided by (used in) investing activities | 7,120 | (10,426) |
| Cash flows from financing activities: | | |
| Net proceeds from sale of stock through options and employee benefit plans | 536 | 529 |
| Common stock repurchases for taxes upon vesting of restricted stock | (1,360) | (749) |
| Payments on debt | (186) | (207) |
| Other | 61 | (960) |
| Net cash used in financing activities | (949) | (1,387) |
| Effect of exchange rates on cash | (106) | (68) |
| Net change in cash and cash equivalents | 16,550 | (4,160) |
| CASH AND CASH EQUIVALENTS, beginning of period | 124,377 | 108,102 |
| CASH AND CASH EQUIVALENTS, end of period | \$140,927 | \$103,942 |

TRUEBLUE, INC.
Analysis of Revenue Growth / (Decline)
(Unaudited)

| | Thirteen Weeks Ended | | Twenty-Six Weeks Ended | |
|--|----------------------|------------------|------------------------|------------------|
| | June 25, 2010 | June 26, 2009 | June 25, 2010 | June 26, 2009 |
| Major Revenue Trends | | | | |
| Organic revenue growth / (decline) | 15.3% | (34.2%) | 11.3% | (32.9%) |
| Acquisitions within last 12 months | 0.0% | 0.8% | 0.0% | 0.8% |
| Total revenue growth / (decline) | <u>15.3%</u> | <u>(33.4%)</u> | <u>11.3%</u> | <u>(32.1%)</u> |
| Organic Revenue Trends* | | | | |
| Same branch | 17.1% | (27.4%) | 14.5% | (29.6%) |
| Same branch excluding largest customer** | 23.1% | (34.3%) | 13.3% | (33.1%) |
| New branches | 1.2% | 0.2% | 1.1% | 0.2% |
| Closed branches | (3.0%) | (8.2%) | (4.2%) | (6.7%) |
| Currency | 0.5% | (0.4%) | 0.5% | (0.6%) |

* Percentages for organic revenue components do not sum to total organic revenue growth / (decline) 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.

** Excludes revenue from The Boeing Company and affiliates.

TRUEBLUE, INC.
Schedule of Year-Over-Year Same Branch Revenue Growth
(Unaudited)

| | |
|---------------|-------|
| January 2010 | 5.2% |
| February 2010 | 12.7% |
| March 2010 | 15.4% |
| Q-1 2010 | 11.5% |
| April 2010 | 18.3% |
| May 2010 | 22.9% |
| June 2010 | 11.9% |
| Q-2 2010 | 17.1% |