

SUPERIOR INDUSTRIES INTERNATIONAL INC

Form 8-K

June 22, 2006

**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): June 16, 2006

SUPERIOR INDUSTRIES INTERNATIONAL, INC.
(Exact Name of Registrant as Specified in Its Charter)

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| California (State or Other Jurisdiction of Incorporation) | 1-6615 (Commission File Number) | 95-2594729 (IRS Employer Identification No.) |
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|---|---------------------|
| 7800 Woodley Avenue Van Nuys, California (Address of Principal Executive Offices) | 91406 (Zip Code) |
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Registrant's Telephone Number, Including Area Code: (818) 781-4973

N/A

(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:

- 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 2.05 Costs Associated with Exit or Disposal Activities

Superior Industries International, Inc. issued a press release on June 16, 2006, announcing that it is restructuring its chrome plating business currently located in Fayetteville, Arkansas, that will result in a lay off of approximately 225 employees, to be completed by the end of the third quarter of 2006. The restructuring of the chrome plating business was decided upon on June 16, 2006, and is the result of a shift in customer preference to less expensive bright finishing processes that has reduced the sales outlook for chromed wheel products. The shift away from chromed wheel products and the resulting impact on the company's chrome plating business had been previously disclosed, and in the fourth quarter of 2005, the company estimated that it would not be able to eventually recover the carrying value of certain machinery and equipment in the chrome plating operation. Accordingly, in the fourth quarter of 2005, such assets were written down to their estimated fair value by recording an asset impairment charge against earnings of \$7.9 million. At the same time, an accrual of \$1.3 million was recorded for potential environmental exposure related to machinery and equipment shutdown and removal. Any additional non-environmental costs related to this restructuring are estimated to be insignificant. Any additional environmental costs are not possible to estimate at this time, however an environmental assessment is currently underway.

In light of its decision regarding the chrome plating business, the company has decided to out source current and future customer requirements for chrome plated wheels to a third-party processor. The transition to the third-party processor is expected to be completed by the end of the third quarter of 2006. This restructuring does not affect the company's bright polish operation, which is located at the same facility.

This Form 8-K contains statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, estimates and projections about the company's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors and risks discussed from time to time in the company's Securities and Exchange Commission filings and reports. In addition, such statements could be affected by general industry and market conditions and growth rates, and general domestic and international economic conditions. Such forward-looking statements speak only as of the date on which they are made and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this release.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99.1 Press release, dated June 16, 2006, issued by Superior Industries International, Inc., announcing the restructuring of chrome plating business at the company's Fayetteville, Arkansas facility.
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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.

SUPERIOR INDUSTRIES INTERNATIONAL,
INC.
(Registrant)

Date: June 22, 2006

/s/ R. Jeffrey Ornstein
R. Jeffrey Ornstein
Vice President and Chief Financial Officer