

# BEST BUY CO INC

## FORM 8-K (Current report filing)

Filed 11/13/12 for the Period Ending 11/13/12

Address	7601 PENN AVE SOUTH RICHFIELD, MN 55423
Telephone	6122911000
CIK	0000764478
Symbol	BBY
SIC Code	5731 - Radio, Television, and Consumer Electronics Stores
Industry	Retail (Technology)
Sector	Services
Fiscal Year	02/03

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

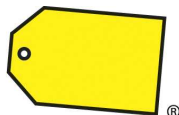
Washington, D.C. 20549

**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) **November 13, 2012**



**BEST BUY®**

**BEST BUY CO., INC.**

(Exact name of registrant as specified in its charter)

**Minnesota**

(State or other jurisdiction  
of incorporation)

**1-9595**

(Commission  
File Number)

**41-0907483**

(IRS Employer  
Identification No.)

**7601 Penn Avenue South**

**Richfield, Minnesota**

(Address of principal executive offices)

**55423**

(Zip Code)

Registrant's telephone number, including area code **(612) 291-1000**

**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))
-

**Item 7.01 Regulation FD.**

On November 13, 2012, Best Buy Co., Inc. (“Best Buy” or the “registrant”) issued a news release related to its Analyst and Investor Day being held in New York City on that date. The Analyst and Investor Day conference will outline Best Buy’s strategic plan intended to improve financial performance.

The conference will begin at 1:00 p.m. Eastern Time on November 13, 2012, and is expected to be available live on the registrant’s website at [www.investors.bestbuy.com](http://www.investors.bestbuy.com). In addition, the registrant will provide copies of the presentation materials accompanying the conference on its website.

The news release issued on November 13, 2012, is furnished as Exhibit 99 to this Current Report on Form 8-K. The registrant's Annual Report to Shareholders and its reports on Forms 10-K, 10-Q and 8-K and other publicly available information should be consulted for other important information about the registrant.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99 hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that Section unless the registrant specifically incorporates it by reference in a document filed under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Some of the matters discussed in this Current Report on Form 8-K (including Exhibit 99) constitute forward-looking statements within the meaning of the "safe-harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements other than those made solely with respect to historical fact and are based on the intent, belief or current expectations of the registrant and/or its management. The registrant's business and operations are subject to a variety of risks and uncertainties that might cause actual results to differ materially from those projected by any forward-looking statements. Factors that could cause such differences include, but are not limited to, the risk factors set forth in the registrant's filings with the U.S. Securities and Exchange Commission.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following Exhibit 99 is furnished as an Exhibit to this Current Report on Form 8-K.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99	News release issued November 13, 2012. Any internet address provided in this release is for information purposes only and is not intended to be a hyperlink. Accordingly, no information at any internet address is included herein.

## 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.

BEST BUY CO., INC.  
(Registrant)

Date: November 13, 2012

By: /s/ SUSAN S. GRAFTON  
Susan S. Grafton  
Senior Vice President, Controller and Chief Accounting Officer



**Best Buy Holds Analyst and Investor Day to Provide Assessment of the Company  
And to Outline Priorities to Reinvigorate Performance and Rejuvenate its Business**

NEW YORK, November 13, 2012 - Best Buy Co., Inc. (NYSE:BBY), the leading multi-channel retailer of technology products and services, will outline today at an analyst and investor conference its priorities to strengthen its operational and financial performance.

Best Buy President and CEO Hubert Joly will share his assessment of Best Buy's situation and initial priorities.

“Since joining Best Buy three months ago, I have worked with management to undertake a candid assessment of our strengths and weaknesses. The great news is that Best Buy has amazing strengths on which to build. We are the leader in a growing and fragmented market and our market share has been stable or growing in most product categories. We have a highly skilled and engaged workforce that is passionate about customer service. We have a large customer base with 40 million active members in our loyalty program. And we have a unique and compelling value proposition, providing distinctive customer benefits - including access to the latest devices, impartial and knowledgeable advice, competitive prices, the convenience of a multi-channel shopping experience and expert support via our Geek Squad. This is a very strong platform on which to build.”

“That said, our recent performance has been unsatisfactory in a number of areas. While we are the 11<sup>th</sup> largest e-commerce player in the U.S. across all product categories, we have been too slow to capture our fair share of the online channel. While our customer satisfaction has been increasing in the last months, we have room for improvement. We have been suffering from a price perception issue. And, although our operating metrics are among the highest in the industry, our top line and bottom line performance have been declining. These trends, combined with the continued addition of stores well into the recession and the low returns achieved by certain acquisitions, have led to a decline in our return on invested capital.”

“Our goal is simple. It is for Best Buy to thrive as the preferred authority and destination for technology products and services. I am excited to unveil today some of our ideas on how we will achieve this.”

During the conference, Joly and members of Best Buy's management team will outline the five key priorities of the company's strategy - Renew Blue:

1. **Reinvigorate and rejuvenate the customer experience.** The company's first priority is to continue to improve and evolve the customer experience across its channels, addressing their needs in a superior and unique fashion. The company's plans include:
  - Continuing to make operational progress in the experience it delivers to customers online, in physical stores and through its service organization.
  - Developing a leading edge, multi-channel shopping experience through a highly relevant and contemporized hub-and-spoke network. This will include better defining the company's brand identity and promise and evolving the design of its online platform and physical stores accordingly.

- Putting the “pedal to the metal” in digital by investing in the shopping experience and leveraging its multi-channel assets.
  - Delivering a rich set of solutions and services and forging more engaged and rewarding relationships with customers by offering unique benefits and exclusive membership programs.
2. **Attract, grow, engage and inspire transformational leaders and energize the employees to deliver extraordinary results for all our stakeholders** . Best Buy understands and appreciates the invaluable role played by its workforce - especially its “Blue Shirts” and Geek Squad agents - in winning and serving customers every day. It will continue to invest in their training and engagement in support of its strategic objectives. Best Buy will also invest in building a leading-edge set of digital capabilities to support its goal to be the true multi-channel leader.
  3. **Work with vendor partners to innovate and drive value** . Just as it must re-imagine its relationship with the consumer, Best Buy will work with vendor partners to innovate and continue to leverage its assets to be their preferred distribution partner.
  4. **Increase the company's return on invested capital, based on an unrelenting focus on revenue growth, efficiency and disciplined capital allocation** . The company has the opportunity to do this by driving the operational performance of the business and capturing key market opportunities. The company has the goal to enhance the return on its existing assets by increasing the revenue they produce and by taking unnecessary or unproductive costs out. Some of the tangible opportunities it will be pursuing include:
    - Driving higher comparable store sales by improving retail execution both online and across the company's stores, and by evolving the allocation of physical space across product categories to maximize revenue growth and profit contribution.
    - Achieving cost savings by optimizing the cost of goods sold and addressing general and administrative and non-product purchasing expenses. In addition, the company plans to optimize its store footprint on an ongoing basis, taking advantage of rationalization opportunities at the local market level, and aligning its retail network with its multi-channel strategy.
  5. **Continue Best Buy's leadership role in positively impacting our world and making it a better place** . The company plans to continue to do this through its electronics recycling efforts, its commitment to enhancing the lives of teenagers through access to technology and to the vitality of local communities in which we work and live.

Joly will outline that Best Buy aspires to achieve over time an operating margin of five to six percent and a return on invested capital of 13 to 15 percent. In the short term, the company's goal will be to stabilize and then begin increasing its comparable store sales and operating margin.

The presentations will begin at 1:00 p.m. ET and will be broadcast live via the internet on Best Buy's investor relations website ([www.investors.bestbuy.com](http://www.investors.bestbuy.com)).

**Forward-Looking and Cautionary Statements:**

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that reflect management's current views and estimates regarding future market conditions, company performance and financial results, business prospects, new strategies, the competitive environment and other events. You can identify these statements by the fact that they use words such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “project,” “guidance,” “plan,” “outlook,” and other words and terms of similar meaning. These statements involve a number of risks and uncertainties that could cause actual results to differ materially from the potential results discussed in the forward-looking statements. A list and description of these risks, uncertainties and other matters can be found in the company's

annual report and other reports filed from time to time with the Securities and Exchange Commission, including, but not limited to, Best Buy's Annual Report on Form 10-K filed with the SEC on May 1, 2012. Best Buy cautions that any forward-looking statements speak only as of the date they are made, and Best Buy assumes no obligation to update any forward-looking statement that it may make.

### **About Best Buy**

Best Buy Co., Inc. (NYSE: BBY) is the global leader in consumer electronics with more than 1,400 locations, \$50 billion in annual revenue and the 11<sup>th</sup> largest retail website. Our nearly 170,000 employees are committed to helping deliver the technology solutions that provide value, enabling access to people, knowledge, ideas and fun - whether online, in-stores and via their mobile devices. Our competitive prices, vast assortment of products and services, highly knowledgeable staff and industry leading physical and digital assets make us the best value for consumers. To learn more about Best Buy, visit us at [www.investors.bestbuy.com](http://www.investors.bestbuy.com). Shop us at <http://www.bestbuy.com/> or stop by one of our stores to touch, test and try the latest technology. Find us on Facebook at <https://www.facebook.com/bestbuy> and follow us on Twitter at @BestBuy.

#### **Investor Contacts:**

Bill Seymour, Vice President, Investor Relations  
(612) 291-6122 or [bill.seymour@bestbuy.com](mailto:bill.seymour@bestbuy.com)

Mollie O'Brien, Director, Investor Relations  
(612) 291-7735 or [mollie.obrien@bestbuy.com](mailto:mollie.obrien@bestbuy.com)

#### **Media Contact:**

Amy von Walter, Senior Director, Public Relations  
(612) 291-4490 or [amy.vonwalter@bestbuy.com](mailto:amy.vonwalter@bestbuy.com)

###