

UNIVERSAL FOREST PRODUCTS INC  
Form 11-K  
June 11, 2013

---

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO  
<sup>x</sup>FEE REQUIRED].

For the fiscal year ended December 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
<sup>o</sup>[NO FEE REQUIRED].

Commission file number: 0-22684

Universal Forest Products, Inc. Employees' Profit Sharing  
and 401(k) Plan

(Full title of the plan and the address of the plan, if different from that of issuer named below)

Universal Forest Products, Inc.

2801 East Beltline NE

Grand Rapids, Michigan 49525-9736

(Name of issuer of the securities held pursuant to the plan and the address of its principal executive office)

---

---

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Financial Statements and Supplemental Schedule

Years Ended December 31, 2012 and 2011

Contents

Report of Independent Registered Public Accounting Firm 3

Financial Statements

Statements of Net Assets Available for Benefits 4

Statements of Changes in Net Assets Available for Benefits 5

Notes to Financial Statements 6

Supplemental Schedule

Schedule H, Line 4i—Schedule of Assets (Held at End of Year)15

---

Table of contents

Report of Independent Registered Public Accounting Firm

Members of the Profit Sharing and 401(k) Trustee Committee

Universal Forest Products, Inc.

Employees' Profit Sharing and 401(k) Plan

Grand Rapids, Michigan

We have audited the accompanying statements of net assets available for benefits of the Universal Forest Products, Inc. Employees' Profit Sharing and 401(k) Plan (the Plan) as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and 2011, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental Schedule of Assets (Held at End of Year) as of December 31, 2012 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/BDO USA, LLP

Grand Rapids, Michigan

June 11, 2013

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Statements of Net Assets Available for Benefits

	December 31	
	2012	2011
Assets		
Investments, at fair value	\$ 148,817,708	\$ 134,100,308
Notes receivable from participants	7,289,582	6,929,203
Employer contribution receivable	292,501	291,387
Due (to) from investment broker	(760 )	12,921
	156,399,031	141,333,819
Adjustment from fair value to contract value for fully benefit responsive investment contracts	(622,692 )	(812,928 )
Net assets available for benefits	\$ 155,776,339	\$ 140,520,891

See accompanying notes.

Table of contentsUniversal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

## Statements of Changes in Net Assets Available for Benefits

	Years Ended December 31	
	2012	2011
Additions		
Investment income (loss) :		
Dividend and interest income	\$1,796,952	\$1,273,521
Net appreciation (depreciation) in fair value of common stocks	6,795,136	(8,189,325 )
Net appreciation in fair value of common collective trust funds	346,158	829,572
Net appreciation (depreciation) in fair value of mutual funds	8,983,391	(2,423,327 )
Total investment income (loss)	17,921,637	(8,509,559 )
Participant contributions	7,342,625	7,413,716
Rollover contributions	200,529	569,489
Employer contributions	1,501,365	1,543,404
Interest from notes receivable from participants	382,474	402,012
Total additions	27,348,630	1,419,062
Deductions		
Distributions to participants	(11,777,340 )	(20,405,155 )
Administrative expenses	(450,358 )	(478,061 )
Total deductions	(12,227,698 )	(20,883,216 )
Net increase (decrease)	15,120,932	(19,464,154 )
Transfers in (out) (Note 3)	134,516	(2,782 )
Net assets available for benefits at beginning of year	140,520,891	159,987,827
Net assets available for benefits at end of year	\$155,776,339	\$140,520,891

See accompanying notes.

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and 401(k) Plan

Notes to Financial Statements

1. Significant Accounting Policies

Basis of Accounting

The financial statements of the Universal Forest Products, Inc. (Plan Sponsor) Employees' Profit Sharing and 401(k) Plan (the Plan) are presented on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect reported amounts. Although actual results could differ from these estimates, management believes estimated amounts recorded are reasonable and appropriate.

Risks and Uncertainties

The Plan utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

New Accounting Pronouncement

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs (ASU 2011-04). ASU 2011-04 amended ASC 820, Fair Value Measurements and Disclosures, to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurement and disclosure requirements, while other amendments change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. The Plan adopted the provisions of ASU 2011-04 but it did not result in a material impact on the Plan's financial statements.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Notes to Financial Statements (continued)

Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. The Plan utilizes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following provides a description of the three levels of inputs that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Significant observable inputs such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable or can be derived from or corroborated by observable market data by correlation or other means.

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

The following valuation methodologies were used to measure the fair value of the Plan's investments:

Common Stock: Valued at quoted market prices in an exchange and active market in which the securities are traded.

Mutual Funds: Valued at quoted market prices in an exchange and active market, which represent the net asset values of shares held by the Plan.

Common Collective Trust Funds: Valued based on audited information reported by the issuer of the common collective trust at year-end.

The Plan's valuation methods may result in a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Although Plan management believes the valuation methods are appropriate and consistent with those participating in the market, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Plan also invests in investment contracts through a common collective trust (Union Bond & Trust Company Stable Value Fund, often referred to as "Morley Stable Value Fund"). Investment contracts held by a defined contribution plan are required to be reported at fair value, with an adjustment to contract value in the statement of net assets available for benefits because contract value of these contracts is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The contract value of the Union Bond & Trust Company Stable Value Fund represents contributions plus earnings, less participant withdrawals and administrative expenses.

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Notes to Financial Statements (continued)

The investment objective of the Morley Stable Value Fund is to provide preservation of capital, relatively stable returns consistent with its comparatively low risk profile, and liquidity for benefit-responsive payments. Withdrawals from the Morley Stable Value Fund for benefit payments and participant transfers to noncompeting options are made to plan participants promptly upon request but in all cases within 30 days after written notification has been received.

All plan sponsor-directed full or partial withdrawals are subject to a twelve month advance written notice requirement, though the Morley Stable Value Fund may waive this requirement at its discretion.

The Universal Forest Products Stock Fund (the Fund) is tracked on a unitized basis. The Fund consists of common stock of Universal Forest Products, Inc. (Plan Sponsor) and funds that are held in the Union Bond & Trust Company Stable Value Fund that are sufficient to meet the Fund's daily cash needs. Unitization of the Fund allows for daily trades. The value of a unit reflects the combined market value of the common stock and the Union Bond & Trust Company Stable Value Fund held by the Fund. At December 31, 2012 and 2011, 846,154 and 895,596 units, respectively, were outstanding with a value of \$38.58 and \$31.65 per unit, respectively.

The Pimco Total Return Fund (the Return Fund) was tracked on a unitized basis until December 2012 when the fund was de-unitized. For 2011, the Return Fund consisted of the Pimco Total Return Fund and funds held in cash that were sufficient to meet the Fund's daily needs. Unitization of the Return Fund allowed for daily allocation of interest earned to participant accounts. The value of a unit reflected the combined market value of the Pimco Total Return Fund and the cash held. At December 31, 2011, 330,189 units were outstanding with a value of \$20.57 per unit.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis.

Dividends are recorded on the ex-dividend date. Net appreciation/(depreciation) includes the Plan's gains and losses on investments bought or sold as well as held during the year.

8

---



Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and 401(k) Plan

Notes to Financial Statements (continued)

Notes Receivable from Participants

Notes receivables from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are deemed distributions based upon the terms of the Plan document.

Payment of Benefits

Benefits are recorded when paid.

Concentration of Investments

Included in investments at December 31, 2012 and 2011 are shares of the Plan Sponsor's common stock with an aggregate fair value of \$31,991,754 and \$27,659,397, respectively. This investment represents 21% of total investments at December 31, 2012 and 2011. A significant decline in the market value of the sponsor's stock would significantly affect the net assets available for benefits.

Administrative Expenses

Administrative expenses incurred in connection with the operations of the Plan are paid by the Plan Sponsor, except for loan and certain investment fees, which are borne by the Plan and applied to the applicable participant balances. Substantially all of these expenses are paid to parties-in-interest of the Plan and are based on reasonable and customary rates for the related services.

2. Description of the Plan

General

The following description of the Plan provides only general information. Participants should refer to the Plan Document and Summary Plan Description, as amended, for a more complete description of the Plan's provisions.

The Plan is a defined-contribution, profit sharing and 401(k) plan that provides tax-deferred benefits for substantially all eligible employees of the Plan Sponsor or other Participating Employers, excluding the employees of separate subsidiaries that maintain a similar defined-contribution plan and those covered under a collective bargaining agreement. The Plan is subject to the provisions of the Employee Retirement Security Act of 1974 (ERISA).

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and 401(k) Plan

Notes to Financial Statements (continued)

All newly eligible employees are automatically enrolled in the Plan at a deferral level of 3% of eligible compensation. Eligible employees are those who are 18 years or older, have completed 60 days of employment and are hired to work more than 180 days.

Contributions

Participants may voluntarily contribute up to 75% of their eligible compensation as a 401(k) contribution subject to certain regulatory limitations. Participant contributions to the Plan vest immediately.

The Plan Sponsor contributes regular discretionary matching contributions and may contribute additional discretionary matching contributions. Regular discretionary matching contributions are made quarterly and were 25% of participant deferrals in 2012 and 2011, on the first 6% of each participant's eligible compensation. Additional discretionary matching contributions may be made at the end of each Plan Year. These amounts are not guaranteed, and may vary from year to year as the Plan Sponsor is not obligated to make such contributions.

The Plan Sponsor may also contribute a discretionary profit sharing amount annually as determined by management and approved by the Plan Sponsor's Board of Directors. The Plan Sponsor's annual profit sharing contributions are allocated to participants who had at least 1,000 hours of service during the plan year and are allocated to each participant's account in the same ratio that each participant's total compensation for the Plan year bears to the total compensation of all participants for such year. No discretionary profit sharing contributions were made in 2012 or 2011.

Employer contributions are subject to a vesting schedule as follows:

Years of Service	Vesting Percentage
Less than 2	0 %
2 but less than 3	20
3 but less than 4	40
4 but less than 5	60
5 but less than 6	80
6 or more	100

The Plan was amended effective January 1, 2012 to be designated as an ESOP for those Participants with a portion of their account balance invested in the Universal Forest Products, Inc. Common Stock Fund. This provision allows those Participants who are 100% vested the opportunity to elect to have the dividends on the employer stock fund paid to them in cash.

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Notes to Financial Statements (continued)

Participant Accounts

Participants may select from various investment options made available by the Plan. Each participant's account is credited with the participant's contribution, an allocation of the Plan Sponsor's contribution, if any, Plan earnings and losses and certain administrative expenses. Earnings allocations are based on participant account balances, as defined in the Plan agreement.

The vested portion of terminated and retired participants' accounts are available for distribution following a separation from service. Forfeitures are used to offset the Plan Sponsor's matching contributions and for reasonable administrative expenses. During 2012 and 2011, forfeitures of approximately \$131,000 and \$101,000, respectively, were used to offset the Plan Sponsor's matching contributions.

Participant Loans

Participants may borrow from their account a minimum amount of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, reduced by any outstanding loans as outlined in the Plan Document. Loan terms range from one to five years or up to 25 years for the purchase of a residence. The loans bear interest at a rate equal to the prime rate (3.25% at December 31, 2012) plus 2% calculated on a daily basis. Interest rates on outstanding loans ranged from 4.25% to 11.5% at December 31, 2012. Effective April 1, 2009, the total loans available changed from five loans to two loans outstanding at any time.

Payment of Benefits

Before attainment of age 59½, participants may request in-service withdrawals from the Rollover balance within their account. Participants may also request an in-service withdrawal from their Salary Deferral balance in the event of a financial hardship, subject to certain limitations as defined by the Plan. Once a participant attains age 59½, in-service withdrawals may be made from all contribution sources.

Upon separation from service, a participant is eligible for a lump sum distribution of their full, vested account balance. Participants may elect to receive the distribution in a lump sum amount, a qualified rollover to another plan, or may defer their distribution until a later date. However, in the absence of an election, if the vested portion of a participant's account is \$1,000 or less, this amount will be paid as a lump sum distribution as soon as administratively allowable. Participants who incur a separation from service as a result of their death, Total Disability, or Retirement will be vested at 100% prior to their distribution.

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Notes to Financial Statements (continued)

## Termination

The Plan Sponsor intends to continue the Plan indefinitely, but reserves the right to terminate or amend the Plan at any time. In the event of termination of the Plan, all participants are automatically fully vested in the value of their accounts and will be paid in full.

## 3. Transfers

As permitted by the plan, funds totaling \$134,516 were transferred from the Shawnlee Construction LLC 401(k) Plan (an affiliated plan) during 2012 and \$2,782 were transferred to the Shawnlee Construction LLC 401(k) Plan during 2011, due to employee transfers.

## 4. Investments

The tables below set forth by level within the fair value hierarchy the Plan's investments as of December 31, 2012 and 2011.

	Investment Assets at Fair Value as of December 31, 2012			Total
	Level 1	Level 2	Level 3	
Common stocks	\$31,991,754	\$-	\$ -	\$31,991,754
Common collective trust funds		33,057,400		33,057,400
Mutual funds:				
Bond funds	8,648,850			8,648,850
Target funds	27,812,814			27,812,814
Domestic stock funds	42,187,560			42,187,560
International stock funds	5,119,330			5,119,330
Total mutual funds	83,768,554			83,768,554
Total investments at fair value	\$115,760,308	\$33,057,400	\$ -	\$148,817,708

Table of contentsUniversal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

## Notes to Financial Statements (continued)

	Investment Assets at Fair Value as of December 31, 2011			Total
	Level 1	Level 2	Level 3	
Common stocks	\$27,659,397	\$-	\$ -	\$27,659,397
Common collective trust funds		33,379,701		33,379,701
Mutual funds:				
Bond funds	6,793,267			6,793,267
Target funds	23,130,528			23,130,528
Domestic stock funds	38,511,282			38,511,282
International stock funds	4,626,133			4,626,133
Total mutual funds	73,061,210			73,061,210
Total investments at fair value	\$100,720,607	\$33,379,701	\$ -	\$134,100,308

There have been no changes in the methodologies used at December 31, 2012 and 2011, and there have been no significant transfers in or out of Levels 1, 2 or 3.

Individual assets that represent 5% or more of the fair value of the Plan's net assets are as follows:

	December 31	
	2012	2011
Union Bond & Trust Company Stable Value Fund	\$33,057,400	\$33,379,701
Universal Forest Products Common Stock	31,991,754	27,659,397
T. Rowe Price Retirement 2020 Fund	11,853,017	10,806,562
Invesco Growth and Income Fund	11,251,812	10,627,763
Vanguard Midcap Index Fund	9,235,663	-
PIMCO Total Return Fund	8,648,850	*
Dreyfus Midcap Index Fund	-	8,294,460
Neuberger Berman Genesis Fund	*	8,054,733

\* Below 5% of net assets available for benefits

## 5. Income Tax Status

The Plan Sponsor has received a determination letter from the Internal Revenue Service dated October 24, 2011, stating that the Plan is qualified under section 401(a) of the Internal Revenue Code (the Code), and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Sponsor believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Table of contents

Universal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

## Notes to Financial Statements (continued)

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

## 6. Difference Between Financial Statements and Form 5500

The following is a reconciliation of assets available for benefits per the financial statements to the Form 5500:

	December 31	
	2012	2011
Net assets available for benefits from the financial statements	\$155,776,339	\$140,520,891
Net adjustment to fair value for fully benefit responsive investment contracts	622,692	812,928
Assets available for benefits from the Form 5500	\$156,399,031	\$141,333,819

The following is a reconciliation of the net increase (decrease) in net assets per the financial statements to the net income (loss) from the Form 5500:

	December 31	
	2012	2011
Net increase (decrease) in net assets from the financial statements	\$15,120,932	\$(19,464,154)
2012 Net adjustment to fair value for fully benefit responsive investment contracts	622,692	
2011 Net adjustment to fair value for fully benefit responsive investment contracts	(812,928 )	812,928
2010 Net adjustment to fair value for fully benefit responsive investment contracts		(660,025 )
Net income (loss) from the Form 5500	\$14,930,696	\$(19,311,251)

Table of contentsUniversal Forest Products, Inc. Employees' Profit Sharing and  
401(k) Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

EIN #38-1465835 Plan #001

December 31, 2012

(a) (b)	(c)	(e)
Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment Including, Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Current Value
Common stock:		
* Universal Forest Products, Inc.	Universal Forest Products Common Stock	\$31,991,754
Common collective trust funds:		
Union Bond & Trust Company	Stable Value Fund	33,057,400
Mutual funds:		
JP Morgan	Large Cap Growth Fund	6,643,441
Vanguard	Midcap Index Fund	9,235,663
Pimco	Total Return Fund	8,648,850
Thornburg	International Value Fund	5,119,330
Neuberger Berman	Genesis Fund	7,447,417
Invesco	Growth and Income Fund	11,251,812
Vanguard	500 Index Fund	7,609,227
T. Rowe Price	Retirement 2050 Fund	2,055,019
	Retirement 2040 Fund	5,477,048
	Retirement 2030 Fund	5,930,211
	Retirement 2020 Fund	11,853,017
	Retirement 2010 Fund	1,066,275
	Retirement Income Fund	1,431,244
		83,768,554
		148,817,708
* Notes receivable from participants	Collateralized by vested account balances, payable in monthly installments with interest rates ranging from 4.25% to 11.5%	7,289,582
		\$156,107,290

\*Indicates a party-in-interest to the Plan.

Note: Column (d), cost, is not applicable,  
as all investments are  
participant-directed.

Table of contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Universal Forest Products, Inc., as Plan Administrator, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Universal Forest Products, Inc. Employee's Profit  
Sharing and 401(k) Plan

Date: June 11, 2013 /s/ Michael R. Cole  
Michael R. Cole,  
Universal Forest Products, Inc., Plan Administrator

Date: June 11, 2013 /s/ Nancy A. DeGood  
Nancy A. DeGood,  
Universal Forest Products, Inc., Plan Administrator



Table of contents  
EXHIBIT INDEX

Exhibit No. Description

23 Consent of BDO USA, LLP

---