

Note: This form was not filed with the
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

**[X] CURRENT REPORT PURSUANT TO THE INDENTURE, DATED AS OF
OCTOBER 4, 2005 AMONG BROOKSTONE, INC., A DELAWARE
CORPORATION, BROOKSTONE COMPANY, INC., THE GUARANTORS (AS
DEFINED THEREIN) AND WELLS FARGO BANK, N.A., AS TRUSTEE**

Date of report (Date of earliest event reported): April 25, 2007

BROOKSTONE, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation)

06-1182895
(IRS Employer
Identification No.)

ONE INNOVATION WAY, MERRIMACK, NH
(Address of principal executive offices)

03054
(Zip Code)

Telephone number, including area code 603-880-9500.

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 2.02 Results of Operations and Financial Condition.

On April 25, 2007, Brookstone, Inc. issued a press release reporting its earnings results for its first fiscal quarter ended March 31, 2007. A copy of the press release is set forth as Exhibit 99.1 and is incorporated by reference herein.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 March 31, 2007 Earnings Release

SIGNATURE

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.

April 27, 2007

By: /s/ Philip W. Roizin

Philip W. Roizin
Executive Vice President, Finance
and Administration,
Treasurer and Secretary
(Principal Financial Officer and duly
authorized to sign on behalf of registrant)

Exhibit 99.1

Contact:
Philip Roizin
EVP of Finance and Administration
(603) 880-9500

Brookstone Announces First Quarter 2007 Financial Results

MERRIMACK, N.H., April 25, 2007 -- Innovative product development company and specialty lifestyle retailer Brookstone, Inc. today announced financial results for the first quarter ended March 31, 2007.

For the 13-week period ended March 31, 2007, Brookstone reported total net sales of \$83.1 million, an 8.4% increase from the comparable 13-week period ended April 1, 2006. Same-store sales increased 9.2 percent from the comparable 13-week period ending April 1, 2006.

For the 13-week period ending March 31, 2007 Brookstone reported a loss from continuing operations of \$11.7 million, compared to a loss from continuing operations of \$14.6 million for the comparable 13-week period ending April 1, 2006.

Brookstone ended the first quarter with approximately \$30.8 million in cash and no cash borrowings under our asset-backed lending agreement.

Lou Mancini, Brookstone Chief Executive Officer, said: "We are pleased with our first quarter 2007 results and our continuing trend of same-store sales increases. Our improved results are due to the introduction of new and innovative products as well as our continued execution of our sales incentive strategy. In the second quarter, we will continue to launch new merchandise, including exclusive OSIM healthy lifestyle products, which we believe will continue to contribute positively to our performance."

Brookstone, Inc. is an innovative product development and specialty lifestyle retail company that operates 306 Brookstone Brand stores nationwide and in Puerto Rico. Typically located in high-traffic regional shopping malls and airports, the stores feature unique and innovative consumer products. The Company also operates a Direct Marketing business that includes an e-commerce website at <http://www.brookstone.com>.

Statements in this release which are not historical facts, including statements about the Company's confidence or expectations, earnings, anticipated operations of its e-commerce sites and those of third-party service providers, and other statements about the Company's operational outlook are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 ("Reform Act") and are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in such forward-looking statements. Such risks and uncertainties include, without limitation, risks of changing market conditions in the overall economy and the retail industry, consumer demand, the effectiveness of e-commerce technology and marketing efforts, availability of products, availability of adequate transportation of such products, and other factors detailed from time to time in the Company's annual and other reports filed with the Securities and Exchange Commission. Words such as "estimate", "project", "plan", "believe", "feel", "anticipate", "assume", "may", "will", "should" and similar words and phrases may identify forward-looking statements. Statements about a possible sale or divestiture of its Gardeners Eden business constitute forward-looking statements. The Company may not be able to complete a divestiture on acceptable terms because of a number of factors, including failure to reach agreement with a purchaser. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. The Company undertakes no obligations to publicly release any revisions to these forward-looking statements or reflect events or circumstances after the date hereof.

BROOKSTONE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited)		(Unaudited)
	March 31, 2007	December 30, 2006	April 1, 2006
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 30,794	\$ 71,738	\$ 38,202
Receivables, net	8,416	12,472	9,920
Merchandise inventories	99,238	95,253	76,650
Deferred income taxes, net	11,432	3,841	14,790
Prepaid expenses	6,674	7,478	6,233
Total current assets	156,554	190,782	145,795
Property, plant and equipment, net	70,790	72,638	75,045
Intangible assets, net	131,125	131,354	132,042
Goodwill	190,329	190,329	192,453
Other assets	16,756	16,080	20,248
Total assets	<u>\$ 565,554</u>	<u>\$ 601,183</u>	<u>\$ 565,583</u>
<u>Liabilities and Shareholder's Equity</u>			
Current liabilities:			
Accounts payable	\$ 14,822	\$ 23,410	\$ 12,733
Other current liabilities	40,001	56,240	42,883
Total current liabilities	54,823	79,650	55,616
Other long-term liabilities	21,439	20,954	19,232
Long-term debt	190,037	190,253	190,700
Deferred income taxes	45,335	45,317	43,397
Other party interests in consolidated entities	1,256	1,114	1,259
Total shareholder's equity	252,664	263,895	255,379
Total liabilities and shareholder's equity	<u>\$ 565,554</u>	<u>\$ 601,183</u>	<u>\$ 565,583</u>

BROOKSTONE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)

	Thirteen-Weeks Ended March 31, 2007	Thirteen-Weeks Ended April 1, 2006
Net sales	\$ 83,140	\$ 76,709
Cost of sales	64,140	60,941
Gross profit	19,000	15,768
Selling, general and administrative expenses	30,671	30,358
Loss from continuing operations	(11,671)	(14,590)
Interest expense, net	5,931	5,799
Loss before taxes, other party interests in consolidated entities and discontinued operations	(17,602)	(20,389)
Other party interests in consolidated entities	308	287
Loss before taxes and discontinued operations	(17,910)	(20,676)
Income tax benefit	(6,808)	(9,654)
Loss on discontinued operations, net of income tax benefit	(71)	(242)
Net loss	\$ (11,173)	\$ (11,264)