

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) December 29, 2005 (December 22, 2005)

**Build-A-Bear Workshop, Inc.**

-----  
(Exact Name of Registrant as Specified in Its Charter)

Delaware

001-32320

43-1883836

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(State or Other  
Jurisdiction of  
Incorporation)

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(Commission  
File Number)

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(IRS Employer  
Identification No.)

1954 Innerbelt Business Center Drive  
St. Louis, Missouri

63114

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(Address of Principal Executive Offices)

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(Zip Code)

(314) 423-8000

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(Registrant's Telephone Number, Including Area Code)

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))
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Item 1.01. Entry Into a Material Definitive Agreement.

On December 22, 2005, Build-A-Bear Workshop, Inc. (the "Company") entered into a construction agreement (the "Facility Construction Agreement") with Duke Construction Limited Partnership to build a 350,000-square-foot distribution center in Groveport, Ohio for approximately \$14.4 million (excluding costs for the land and the equipment for the facility). The Company expects the facility to become fully operational beginning in September 2006. The Facility Construction Agreement contains terms related to progress payments, termination rights, substantial completion and other terms and conditions customary for a transaction of this nature.

Item 7.01. Regulation FD Disclosure.

On December 29, 2005, the Company issued a press release announcing its plans to construct a new distribution center in Groveport, Ohio. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated by reference herein. The description of the press release contained herein is qualified in its entirety by the full text of such exhibit.

In accordance with General Instruction B.2. of Form 8-K, the information contained in Item 7.01 and the Exhibit attached hereto 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 they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated December 29, 2005

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.

BUILD-A-BEAR WORKSHOP, INC.

Date: December 29, 2005

/s/ Barry Erdos

Name: Barry Erdos

Title: President and Chief Operating Officer Bear

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated December 29, 2005



FOR IMMEDIATE RELEASE

**Contact:**

Investors: Molly Salky, 314.423.8000 x5353

Media: Jill Saunders, 314.423.8000 x5293

**BUILD-A-BEAR WORKSHOP, INC. TO LOCATE COMPANY-OWNED  
DISTRIBUTION CENTER IN COLUMBUS, OHIO**

ST LOUIS – December 29, 2005 – Build-A-Bear Workshop, Inc. (NYSE: BBW), an interactive, entertainment retailer of customized stuffed animals, today announced that it plans to build a 350,000-square-foot distribution center in Groveport, Ohio in the Groveport Commerce Center, located approximately 10 miles southeast of downtown Columbus. The center will convert an existing third-party distribution center located in St. Louis to a pool point and the new location in Columbus will serve as the primary distribution center for the company’s North America store operations.

“Our company has significantly broadened its national store presence over the past several years, and we have ambitious plans for future growth,” said Barry Erdos, president and chief operating officer bear. “We believe our new, centrally located state-of-the-art company-owned distribution facility will improve inventory control and management, realize greater efficiencies, and reduce operating costs. We appreciate the cooperation and support we have received from the city of Columbus and from the Village of Groveport. We look forward to building a long and lasting relationship with this community.”

The Groveport distribution center will initially employ approximately 100 associates. The company anticipates hiring for the new facility will begin in mid-2006. The facility is expected to become fully operational beginning in September 2006. The company expects capital expenditures associated with the new distribution center will total approximately \$24 million.

Build-A-Bear Workshop currently utilizes three distribution centers operated by third-party providers. These distribution centers are located in St. Louis, Toronto, Canada and Los Angeles. The company will continue to utilize third party distribution centers in Toronto and Los Angeles and will transition the St. Louis center to a distribution pool point for local markets after September 2006. “Our partnership with JS Logistics has been both positive and supportive. As fellow entrepreneurs the management at JS shares our commitment to growth and we look forward to a continuing partnership” said Erdos.

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**About Build-A-Bear Workshop, Inc.**

Build-A-Bear Workshop, Inc., is the only global company that offers an interactive make-your-own-stuffed animal retail-entertainment experience. Founded in St. Louis in 1997, the company currently operates more than 200 stores in the United States and Canada. The addition of stores in Europe, Asia and Australia make Build-A-Bear Workshop the leader in the teddy bear business. In November 2004, the company expanded the make-your-own concept from stuffed animals to dolls with the opening of its first **friends 2B made**® stores, which feature doll making. Build-A-Bear Workshop (NYSE: BBW) posted total revenue of \$302 million in fiscal 2004. For more information, call 888.560.BEAR (2327) or visit the company's award-winning Web sites at [www.buildabear.com](http://www.buildabear.com) and [www.friends2bmade.com](http://www.friends2bmade.com).

**Forward-Looking Statements**

This press release contains "forward-looking statements" (within the meaning of the federal securities laws) which represent the Company's expectations or beliefs with respect to future events. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated. Those factors include, without limitation: we may be unable to generate comparable store sales growth; our marketing initiatives may not generate sufficient brand awareness and sales; we may be unable to effectively manage our international franchises or comply with changing laws relating thereto; we may be unable to generate demand for our retail experience, or to respond to consumer preferences; customer mall traffic may decrease, as a result of various factors, including a reduction of consumer confidence because of terrorism or war; general economic conditions may worsen; our market share could be adversely affected by competitors; we may lose key personnel, or be unable to hire qualified additional personnel; vendor deliveries may be disrupted; the availability and costs of our products could be impacted by international manufacturing and trade issues; our warehousing and distribution vendors may perform poorly; we may fail to protect our intellectual property and may have infringement, misappropriation or other disputes or litigation with third parties; we may be unable to open new stores, renew or replace our store leases, enter into leases for new stores on favorable terms, or continue to comply with our current leases; we may experience communications or information systems failures; we may suffer negative publicity or be sued due to alleged violations of labor laws, employee regulations or unethical practices, either by the Company or its merchandise manufacturers; and we may violate or be accused of violating privacy or security laws by reason of improperly obtaining or failing to adequately protect Guest information. These and other applicable risks, cautionary statements and factors that could cause actual results to differ from the Company's forward-looking statements are included in the Company's filings with the SEC, specifically as described in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2004. The Company undertakes no obligation to update or revise any forward- looking statements to reflect subsequent events or circumstances even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

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