

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): December 10, 2008

A. O. Smith Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-475
(Commission
File Number)

39-0619790
(IRS Employer
Identification No.)

11270 West Park Place, Milwaukee, Wisconsin 53224-9502
(Address of principal executive offices, including zip code)

(414) 359-4000
(Registrant's telephone number)

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 communication 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 204.14a-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 13-e4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

To the extent that any information included in this Current Report on Form 8-K (this "Current Report") is required to be filed with the Securities and Exchange Commission pursuant to Rule 425 under the Securities Act, such information is deemed to be filed pursuant to Rule 425.

On December 10, 2008, A. O. Smith Corporation ("the Company") issued a news release announcing the Company's revised earnings forecast. A copy of the Company's news release is attached as Exhibit 99.1 to this Current Report and is incorporated by reference herein. Copies of slides to be used in conjunction with the conference call at 11:00 A.M. ET on Wednesday, December 10, 2008, are attached as Exhibit 99.2 to this Current Report and are incorporated by reference herein. The call can be heard on the Company's website, www.aosmith.com.

Item 9.01. Financial Statements and Exhibits

The following exhibits are being filed herewith:

(99.1) News Release of A. O. Smith Corporation, dated December 10, 2008.

(99.2) Slides of A. O. Smith Corporation to be used in conjunction with conference call, dated December 10, 2008.

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.

A. O. SMITH CORPORATION

Date: December 10, 2008

By: /s/ James F. Stern
James F. Stern
Executive Vice President,
General Counsel and Secretary

Exhibit Index to Current Report on Form 8-K Dated December 10, 2008

<u>Exhibit Number</u>	<u>Description</u>
99.1	News Release of A. O. Smith Corporation, dated December 10, 2008
99.2	Slides of A. O. Smith Corporation to be used in conjunction with conference call, dated December 10, 2008



News Release

A. O. Smith Corporation PO Box 245008 Milwaukee, WI 53224-9508 414-359-4000 NYSE: AOS

FOR IMMEDIATE RELEASE

Media Contact:
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414-359-4100

Analyst/Investor Contact:
Patricia K. Ackerman
414-359-4130

December 10, 2008

A. O. Smith reduces forecast for the fourth quarter 2008

Milwaukee, WI - A. O. Smith Corporation (NYSE: AOS) today indicated it expects fourth quarter results will be weaker than expected due to sluggish demand in both its water heater and electric motor businesses. As a result, the previously communicated 2008 forecast of \$2.80 to \$2.90 per share will likely not be achieved.

A decline in global construction and consumer spending, intensified by inventory reductions by the company's customers, has resulted in a significant drop in order volumes during the fourth quarter. The company responded with a decision to mitigate its inventory build throughout the quarter and aggressively curtailed production.

"The speed with which the market downturn confronted us is unprecedented," Paul Jones, chairman and chief executive officer, said. "However, with current orders less than historical replacement demand levels, we expect inventories will likely be replenished in early 2009."

"We are taking actions to further reduce costs and conserve cash in response to the market challenges. We are scrutinizing capital expenditures, maximizing working capital and reducing production schedules. We believe our financial strength gives us an advantage to navigate these challenging times."

The company now expects fourth quarter earnings to be between \$.15 and \$.25 per share. For the year, it expects earnings per share to be between \$2.63 and \$2.73.

A. O. Smith will broadcast a live conference call at 11:00 am (Eastern Time) today to discuss the fourth quarter forecast as well as other matters. The call can be heard on the company's website, www.aosmith.com.

Forward-looking statements

This release contains statements that the company believes are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “forecast,” or words of similar meaning. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this release. Factors that could cause such a variance include the following: significant volatility in raw material prices; competitive pressures on the company’s businesses; instability in the company’s electric motor and water products markets; further weakening in housing construction; the potential for further weakening in commercial construction; a further slowdown in the Chinese economy; expected restructuring costs and savings realized; or further adverse changes in general economic conditions.

Forward-looking statements included in this press release are made only as of the date of this release, and the company is under no obligation to update these statements to reflect subsequent events or circumstances. All subsequent written and oral forward-looking statements attributed to the company, or persons acting on its behalf, are qualified entirely by these cautionary statements.

A. O. Smith Corporation, with 2007 sales of \$2.3 billion, is a global leader applying innovative technology and energy-efficient solutions to products marketed worldwide. The company is one of the world’s leading manufacturers of residential and commercial water heating equipment, offering a comprehensive product line featuring the best-known brands in North America and China. A. O. Smith is also one of the largest manufacturers of electric motors for residential and commercial applications in North America.

Exhibit 99.2

Filed by A. O. Smith Corporation pursuant to Rule 425 under the Securities Act of 1933, as amended, and deemed filed pursuant to Rule 14a-12 under the Securities Exchange Act of 1934, as amended.
Subject Company: A. O. Smith Corporation
Subject Company's Commission File No.: 1-475

Fourth Quarter Interim

December 10, 2008



Forward Looking Statements

This presentation contains statements that we believe are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally can be identified by the use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “continue,” or words of similar meaning. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this release. Factors that could cause such a variance include, among others, the following: significant volatility in raw material prices; competitive pressures on the company’s businesses; instability in the company’s electric motor and water products markets; further weakening in housing construction; further weakening in commercial construction; a further slowdown in the Chinese economy; expected restructuring costs and savings realized; or further adverse changes in general economic conditions; the failure of A. O. Smith or Smith Investment stockholders to approve the proposed merger; the outcome of the proposed transaction, if completed; the ability to satisfy the conditions to the proposed transaction; the impact of the proposed transaction or any other transaction on A. O. Smith’s or Smith Investment’s respective businesses, and the possibility of adverse publicity or litigation and the outcome thereof and the costs and expenses associated therewith.

Forward-looking statements included in this conference call are made only as of the date of this presentation, and the company is under no obligation to update these statements to reflect subsequent events or circumstances. All subsequent written and oral forward-looking statements attributed to the company, or persons acting on its behalf, are qualified entirely by these cautionary statements.

This presentation contains certain non-GAAP financial measures as that term is defined by the SEC. Non-GAAP financial measures are generally identified by “Adjusted” (Adj.) or “Before Restructuring”.

Revised Fourth Quarter Forecast

- GAAP earnings per share at \$.15 to \$.25
- Implications for full year: \$2.63 to \$2.73
- Full year cash flow expected to be about \$140 million

As We See it Today

- Fourth quarter order rates down dramatically in both businesses, including China
 - Consumers react to credit crisis by cutting spending
 - Channel inventory levels driven down as customers conserve cash
- Order volumes not expected to bounce back in December (no pre-buy ahead of price increases)

Our Countermeasures

- Conserve Cash
- December production schedules reduced
- Discretionary SG&A spending eliminated
- Core restructuring and growth projects will remain on track

Implications for 2009

➤ Many moving parts

▪ Opportunities

- Pricing/materials balance
- EPC restructuring benefits of \$15 million
- China demand buoyed by stimulus package
- New product introductions

▪ Risks

- Global recession continues
- Pricing/materials balance
- Commercial volumes
- Discretionary replacement volumes

Merger with SICO

- SICO will merge into wholly-owned subsidiary of AOSmith
- SICO shareholders will hold AOSmith shares directly
- Benefits to AOSmith
 - Potential increase public float
 - Reduction in total shares outstanding
 - Several corporate governance enhancements
 - Essentially all costs paid by SICO
- Transaction expected to close in Q2 2009

➤ Fourth Quarter Conference call:

Thursday, January 22, 2009

10 am Eastern Time