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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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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 21, 2010**

**ACME UNITED CORPORATION**  
(Exact name of registrant as specified in its charter)

**Connecticut**  
(State or other jurisdiction of incorporation or  
organization)

**001-07698**  
(Commission file number)

**06-0236700**  
(I.R.S. Employer  
Identification No.)

**60 Round Hill Road, Fairfield, Connecticut**  
(Address of principal executive offices)

**06824**  
(Zip Code)

Registrant's telephone number, including area code: **(203) 254-6060**

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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 15, 2010, the Board of Directors of Acme United Corporation (the “Company”), on the recommendation of its Compensation Committee, approved an amendment to the Company’s Salary Continuation Plan (the “Plan”) to reduce the benefits payable under the Plan under certain circumstances. The amendment provides that if any amount or benefit to be paid or provided under the Plan would constitute an “excess parachute payment” within the meaning of Section 280G of the Internal Revenue Code (the “Code”) then such payments and benefits will be reduced to the minimum extent necessary so that no portion of any such payment or benefit, as reduced, would constitute an excess parachute payment.

The purposes of the amendment are (i) to prevent the Company from being obligated to make payments of amounts under the Plan which would be subject to the excise tax imposed by Code Section 4999 on excess parachute payments, and non-deductible by the Company for federal income tax purposes under Code Section 280G, and (ii) to prevent participants in the Plan from being subjected to an excise tax on the amounts constituting an excess parachute payment under Code Section 4999.

A copy of the amendment appears as Exhibit 10.4(a) to this Report and is incorporated by reference in this Item 5.02. A copy of the full Plan appears as Exhibit 10.4 to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2009.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
<a href="#">10.4(a)</a>	Amendment 1 to the Company’s Salary Contribution Plan

**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.

ACME UNITED CORPORATION

By           /s/ Walter C. Johnsen            
Walter C. Johnsen  
Chairman and  
Chief Executive Officer

Dated: December 21, 2010

By           /s/ Paul G. Driscoll            
Paul G. Driscoll  
Vice President and  
Chief Financial Officer

Dated: December 21, 2010

**AMENDMENT NO. 1**  
**to the**  
**ACME UNITED CORPORATION**  
**SALARY CONTINUATION PLAN (the "PLAN")**

RESOLVED, that the Plan is hereby amended, as follows:

1. The sentence in the Plan commencing "This Plan will remain in effect until modified or terminated. . ." is deleted in its entirety and replaced by the following sentence:

This Plan will remain in effect until modified or terminated by action of the Board of Directors, provided that benefits payable to any Officer shall not be reduced, nor shall any rights accruing to any Officer hereunder be diminished, except that, notwithstanding any provision of this Plan to the contrary, if any amount or benefit to be paid or provided to an Officer under this Plan would be an "excess parachute payment" (within the meaning of Section 280G of the Code, or any successor provision thereto) but for the application of this sentence, then the payments and benefits to be paid or provided to the Officer under this Plan will be reduced to the minimum extent necessary (i.e., so that all potential "parachute payments" to the Officer will not exceed 2.99 times such Officer's "base amount," as such terms are used in Section 280G of the Code) so that no portion of any such payment or benefit, as so reduced, constitutes an excess parachute payment.

2. This amendment is effective December 15, 2010.

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