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UNITED STATES
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): October 24, 2006

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.)
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60 Round Hill Road, Fairfield, Connecticut (Address of principal executive offices)	06824 (Zip Code)
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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))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On October 24, 2006, Acme United Corporation (the "Company") issued a press release announcing its financial results for the three and nine months ended September 30, 2006. A copy of the press release is attached as Exhibit 99.1 to this current report.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

Exhibit Number	Description
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99.1	Press release dated October 24, 2006.

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
President and
Chief Executive Officer

Dated: October 24, 2006

By /s/ PAUL G. DRISCOLL

Paul G. Driscoll
Vice President and
Chief Financial Officer

Dated: October 24, 2006

EXHIBIT INDEX

Exhibit Number	Description
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99.1	Press release dated October 24, 2006.

CONTACT: Paul G. Driscoll
Acme United Corporation
60 Round Hill Road Fairfield, CT 06824
Phone: (203) 254-6060 FAX: (203) 254-6521

FOR IMMEDIATE RELEASE October 24, 2006

ACME UNITED CORPORATION REPORTS 16% NET SALES INCREASE FOR THE THIRD QUARTER

FAIRFIELD, CONN. - October 24, 2006 - Acme United Corporation (AMEX:ACU) today announced that net sales for the quarter ended September 30, 2006 were \$15.5 million compared to \$13.4 million in the same period in 2005, an increase of 16% . Net sales for the nine months ended September 30, 2006 were \$44.8 million compared to \$38.9 million in the same period in 2005, an increase of 15% (14% at constant currency).

Net income was \$1,225,000 or \$.33 per diluted share for the third quarter ended September 30, 2006 compared to \$200,000 or \$.05 per diluted share for the comparable period last year. Excluding a non-recurring pre-tax charge of \$1.5 million in the third quarter of 2005 relating to the demolition of a former manufacturing site, net income for that period would have been \$1,130,000 or \$.29 per diluted share, representing an increase in 2006 of 8% in net income (+14% per diluted share). Net income for the nine months ended September 30, 2006 was \$3,490,000, or \$.94 per diluted share compared to \$2,164,000, or \$.57 per diluted share in the comparable period last year. Excluding the non-recurring charge in the third quarter 2005, net income would have been \$3,094,000 or \$.81 per diluted share representing an increase in 2006 of 13% in net income (+16% per diluted share). Non-GAAP, or pro forma results, are presented to provide an opportunity to make meaningful comparisons to results in prior periods.

Net sales for the nine months ended September 30, 2006 in the U.S. segment increased 15% as a result of new products, expansion into the pencil sharpener category and market share gains. Sales in Europe and Canada increased by 17% in U.S. dollars and 11% in local currency.

Gross margins were 42.6% in the third quarter of 2006 versus 46.0% in the comparable period last year. For the first nine months of 2006 gross margins were 43.8% compared to 45.7% in the same period in 2005. The gross margin declines were due to higher sales of items in the highly competitive back to school market, as well as the introduction of new private label programs in the U.S. and Europe.

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Walter C. Johnsen, President and CEO, said, "We continue to see the results of new product innovation and attention to customer needs. Our iPoint electronic pencil sharpeners have been very well received, and the award winning Teacher's Choice scissors were among our best sellers during back to school. Acme's patented titanium kitchen shears are demonstrating strong sell through at major retailers throughout the United States. We look forward to introducing additional new cutting, measuring, and safety items this fall."

The Company's bank debt less cash on September 30, 2006 was \$9.3 million compared to \$6.1 million on September 30, 2005. The increase in bank debt during the twelve month period was primarily due to the purchase of additional inventory of \$3.9 million, increased accounts receivables of \$3.4 million resulting from back to school favorable terms, the demolition of a former manufacturing site for \$1.5 million partially offset by earnings.

ACME UNITED CORPORATION is a specialized supplier of cutting devices, measuring instruments, and safety products for school, home, office and industrial use.

Forward-looking statements in this report, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources, are made pursuant to the

safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements involve risks and uncertainties including without limitation the following: (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company's plans and results of operations will be affected by the Company's ability to manage its growth, and (iii) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission.

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ACME UNITED CORPORATION
CONSOLIDATED STATEMENT OF INCOME
THIRD QUARTER REPORT 2006

Amounts in \$000's except per share data	Quarter Ended September 30, 2006 (Unaudited)	Quarter Ended September 30, 2005 (Unaudited)
Net sales	\$ 15,532	\$ 13,400
Gross profit	6,624	6,166
Selling, general, and administrative expenses	4,506	4,159
Non-recurring charge	-	1,500
Other (income) expense	(35)	86
Interest expense	207	83
Pre-tax income	1,946	338
Income tax expense	721	138
Net income	1,225	200
Earnings per diluted share	0.33	0.05
Reconciliation to reported net income (GAAP)		
Pre-tax income as reported (GAAP)	1,946	338
Non-recurring charge	-	1,500
Pre-tax income as adjusted	1,946	1,838
Income tax expense as adjusted	721	708
Net income as adjusted	1,225	1,130
Earnings per diluted share before non-recurring charge	0.33	0.29

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ACME UNITED CORPORATION
CONSOLIDATED STATEMENT OF INCOME
THIRD QUARTER REPORT 2006

Amounts in \$000's except per share data	Nine Months Ended September 30, 2006 (Unaudited)	Nine Months Ended September 30, 2005 (Unaudited)
Net sales	\$ 44,774	\$ 38,887
Gross profit	19,604	17,758
Selling, general, and administrative expenses	13,760	12,455
Non-recurring charge	(149)	232
Other (income) expense	-	1,500
Interest expense	462	139
Pre-tax income	5,531	3,432
Income tax expense	2,041	1,268
Net income	3,490	2,164
Earnings per diluted share	0.94	0.57
Reconciliation to reported net income (GAAP)		
Pre-tax income as reported (GAAP)	5,531	3,432
Non-recurring charge	-	1,500
Pre-tax income as adjusted	5,531	4,932
Income tax expense as adjusted	2,041	1,838
Net income as adjusted	3,490	3,094
Earnings per diluted share before non-recurring charge	0.94	0.81

ACME UNITED CORPORATION
 CONDENSED CONSOLIDATED BALANCE SHEET
 THIRD QUARTER REPORT 2006
 (Unaudited)

Amounts in \$000's	September 30, 2006	September 30, 2005

Assets:		
Current assets:		
Cash	\$ 2,854	\$ 518
Accounts receivable, net	14,896	11,491
Inventories	15,645	11,699
Prepaid and other current assets	1,105	1,007

Total current assets	34,500	24,715
Property and equipment, net	2,591	2,759
Other assets	1,633	847

Total assets	\$ 38,724	\$ 28,321
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Liabilities and stockholders' equity:		
Current liabilities		
Accounts payable	3,641	1,918
Other current liabilities	4,137	5,285

Total current liabilities	7,778	7,203
Long-term debt	12,124	6,587
Other non current liabilities	1,110	551

Total stockholders' equity	21,012	14,341
	17,712	13,980

Total liabilities and stockholders' equity	\$ 38,724	\$ 28,321
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