



**FORT LAUDERDALE, FLORIDA 33314**

**(Address of principal executive offices)**

**954-587-6280**

**(Registrant's telephone number, including area code)**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

At November 13, 2014, 8,914,274 shares of the registrant's Common Stock were outstanding.

**OCEAN BIO-CHEM, INC. AND SUBSIDIARIES**

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**PART 1-FINANCIAL INFORMATION****Item 1. Financial Statements****OCEAN BIO-CHEM, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**

	September 30, 2014 (Unaudited)	December 31, 2013
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 1,828,433	\$ 3,071,887
Trade accounts receivable less allowances of approximately \$93,000 and \$93,000, respectively	6,153,532	4,413,656
Receivables due from affiliated companies	489,597	536,402
Inventories, net	8,793,629	7,367,894
Prepaid expenses and other current assets	803,757	621,107
Deferred tax asset	67,546	64,665
<b>Total Current Assets</b>	<b>18,136,494</b>	<b>16,075,611</b>
Property, plant and equipment, net	5,220,565	5,116,441
Other Assets:		
Trademarks, trade names, royalty rights, and patents, net	1,112,806	920,269
Other assets	6,325	130,803
<b>Total Other Assets</b>	<b>1,119,131</b>	<b>1,051,072</b>
<b>Total Assets</b>	<b>\$ 24,476,190</b>	<b>\$ 22,243,124</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable – trade	\$ 2,397,419	\$ 1,013,829
Current portion of long term debt	423,384	414,525
Income taxes payable	41,098	119,943
Accrued expenses payable	1,091,407	1,067,355
<b>Total Current Liabilities</b>	<b>3,953,308</b>	<b>2,615,652</b>
Deferred tax liability	196,571	237,635
Long term debt, less current portion	798,736	1,117,761
<b>Total Liabilities</b>	<b>4,948,615</b>	<b>3,971,048</b>
Commitments and contingencies		

Shareholders' Equity:		
Common stock - \$.01 par value, 12,000,000 shares authorized; 8,914,274 and 8,749,888 shares issued	89,142	87,499
Additional paid in capital	9,131,952	8,805,460
Less cost of common stock in treasury, 0 and 79,941 shares, respectively	-	(65,029 )
Accumulated other comprehensive loss	(272,955 )	(266,456 )
Retained earnings	10,579,436	9,482,128
<b>Total Shareholders' Equity of Ocean Bio-Chem, Inc.</b>	<b>19,527,575</b>	<b>18,043,602</b>
Noncontrolling interest	—	228,474
<b>Total Shareholders' Equity</b>	<b>19,527,575</b>	<b>18,272,076</b>
Total Liabilities and Shareholders' Equity	\$ 24,476,190	\$ 22,243,124

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**OCEAN BIO-CHEM, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(UNAUDITED)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Gross sales	\$ 10,934,694	\$ 10,878,028	\$ 26,342,525	\$ 26,058,406
Less: discounts, returns, and allowances	502,249	437,303	1,176,586	1,127,666
<b>Net sales</b>	<b>10,432,445</b>	<b>10,440,725</b>	<b>25,165,939</b>	<b>24,930,740</b>
Cost of goods sold	6,839,296	7,258,766	16,054,342	16,535,366
<b>Gross profit</b>	<b>3,593,149</b>	<b>3,181,959</b>	<b>9,111,597</b>	<b>8,395,374</b>
Operating Expenses:				
Advertising and promotion	642,547	633,015	1,942,710	2,019,838
Selling and administrative	1,615,369	1,552,490	4,899,713	4,580,519
Total operating expenses	2,257,916	2,185,505	6,842,423	6,600,357
<b>Operating income</b>	<b>1,335,233</b>	<b>996,454</b>	<b>2,269,174</b>	<b>1,795,017</b>
Other expense				
Interest, net (expense)	(10,272 )	(16,219 )	(31,789 )	(51,843 )
<b>Income before income taxes</b>	<b>1,324,961</b>	<b>980,235</b>	<b>2,237,385</b>	<b>1,743,174</b>
Provision for income taxes	426,155	351,081	717,210	622,231
<b>Net income</b>	<b>898,806</b>	<b>629,154</b>	<b>1,520,175</b>	<b>1,120,943</b>
Loss (gain) attributable to noncontrolling interests	4,287	(7,489 )	17,149	22,390
Net income attributable to Ocean Bio-Chem, Inc.	\$ 903,093	\$ 621,665	\$ 1,537,324	\$ 1,143,333
Earnings per common share – basic and diluted	\$ 0.10	\$ 0.07	\$ 0.17	\$ 0.13
Dividends declared per common share	\$—	\$—	\$ 0.05	\$—

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements



**OCEAN BIO-CHEM, INC. AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

**(UNAUDITED)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
Net Income	\$ 898,806	\$ 629,154	\$ 1,520,175	\$ 1,120,943
Other comprehensive (loss) income :				
Foreign currency translation adjustment	(10,292 )	3,438	(6,499 )	(3,175 )
Comprehensive income	888,514	632,592	1,513,676	1,117,768
Comprehensive loss (gain) attributable to noncontrolling interests	4,287	(7,489 )	17,149	22,390
Comprehensive income attributable to Ocean Bio-Chem, Inc.	\$ 892,801	\$ 625,103	\$ 1,530,825	\$ 1,140,158

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements



**OCEAN BIO-CHEM, INC. AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(UNAUDITED)**

Nine  
Months  
Ended