

Splinx Technology Inc.
Form S-8
August 23, 2005

As filed with the Securities and Exchange Commission on August 23, 2005
Registration No. 333-_____

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

FORM S-8

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

SPLINEX TECHNOLOGY INC.
(Exact name of Registrant as specified in its charter)

Delaware (State of Incorporation)	7372 (Primary Standard Industrial Classification Code Number)	20-0715816 (I.R.S. Employer Identification Number)
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550 West Cypress Creek Road
Suite 410
Fort Lauderdale, Florida 33309 U.S.A.
954-660-6565
(Address and telephone number of Registrant's principal executive offices)

EXECUTIVE 2004 OPTION PLAN
EXECUTIVE 2004 STOCK AWARD PLAN
EXECUTIVE 2005 STOCK AWARD PLAN
SPLINEX TECHNOLOGY INC. 2004 STOCK OPTION PLAN

(Full Title of the Plan)

Michael Stojda
President and Chief Executive Officer
550 West Cypress Creek Road
Suite 410
Fort Lauderdale, Florida 33309 U.S.A.
954-660-6565

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copy to:

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Stephen I. Glover
Gibson, Dunn & Crutcher LLP
1050 Connecticut Ave., N.W.
Washington, D.C. 20036-5306

Curtis Wolfe
General Counsel & Secretary
550 West Cypress Creek Road, Suite 410
Fort Lauderdale, Florida 33309

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered(1)	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value \$.001 per share(2)	650,000 shares	\$ 0.20 (6)	\$ 130,000	\$ 15.30
Common Stock, par value \$.001 per share(3)	5,175,000 shares	\$ 0.20 (6)	\$ 1,035,000	\$ 121.82
Common Stock, par value \$.001 per share(4)	4,825,000 shares	\$ 0.16 (7)	\$ 772,000	\$ 90.86
Common Stock, par value \$.001 per share(5)	1,500,000 shares	\$ 0.50 (7)	\$ 750,000	\$ 88.28
Total	12,150,000 shares	n/a	\$ 2,687,000	\$316.26

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended (the "Securities Act"), this registration statement shall be deemed to cover any additional securities to be offered or issued from stock splits, stock dividends or similar transactions.
- (2) Pursuant to Instruction C of Form S-8, this registration statement covers the resale by the Selling Stockholders named in the prospectus included in and filed with this Form S-8 of shares of common stock of Splinx Technology Inc. (the "Registrant" or the "Company") which have been issued to such Selling Stockholders pursuant to stock grants made by the Company.
- (3) Consists of shares of common stock reserved for issuance under the Splinx Technology Inc. 2004 Stock Option Plan (the "2004 Plan").
- (4) Consists of shares of common stock underlying outstanding options granted under the 2004 Plan.
- (5) Consists of shares of common stock underlying outstanding options granted to the Chief Executive Officer of the Company under the Executive 2004 Option Plan as set forth in the Employment Agreement dated September 1, 2004, between the Company and Michael Stojda, the Company's Chief Executive Officer.
- (6) Estimated solely for purposes of determining the registration fee and calculated in accordance with Rule 457 under the Securities Act of 1933, as amended, based on average high and low prices per share of \$0.20 on August 18, 2005, as quoted on the OTC bulletin board.
- (7) Pursuant to Rule 457(h) under the Securities Act, the proposed maximum offering price per share was calculated based on the weighted average exercise price of the options granted.

EXPLANATORY NOTE

Splinx Technology Inc. (the "Company") has prepared this Registration Statement in accordance with the requirements of Form S-8 under the Securities Act of 1933, as amended (the "Securities Act"), to register 11,500,000 shares of its common stock, par value \$0.001 per share, that are reserved for issuance upon exercise of options granted or to be granted under (1) the Company's 2004 Equity Award Plan (the "2004 Plan") and (2) the Employment Agreement, dated September 1, 2004, between the Company and Michael Stojda, its Chief Executive Officer (the "Executive 2004 Option Plan").

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This Registration Statement also includes a prospectus (the "Reoffer Prospectus") prepared in accordance with General Instruction C of Form S-8 and in accordance with the requirements of Part I of Form S-3. This Reoffer Prospectus may be used for reofferings and resales on a continuous or delayed basis in the future by stockholders of the Company of an aggregate of up to 5,700,000 shares of common stock, including (1) 400,000 shares that have been issued prior to the filing of this Registration Statement under the Executive 2004 Stock Award Plan, as set forth in the Employment Agreement, dated September 1, 2004, between the Company and Michael Stojda, its Chief Executive Officer; (2) 250,000 shares that have been issued prior to the filing of this Registration Statement under the Executive 2005 Stock Award Plan, as set forth in the Employment Agreement dated January 12, 2005, between the Company and Christian Schormann, its Vice President of Research & Development; (3) 1,500,000 shares that may be issued upon exercise of an option granted to Mr. Stojda under the Executive 2004 Option Plan, as set forth in the Employment Agreement, dated September 1, 2004, between the Company and Michael Stojda; and (4) 3,550,000 shares that may be issued upon the exercise of options previously granted under the 2004 Plan to the selling stockholders.

PART I

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

ITEM 1. PLAN INFORMATION.

The document(s) containing the information specified in Part I of Form S-8 will be sent or given to participants in the 2004 Plan, the Executive 2004 Stock Award Plan, Executive 2005 Stock Award Plan, and the Executive 2004 Option Plan as specified by Rule 428(b)(1) under the Securities Act. Such documents are not being filed with the Securities and Exchange Commission, but constitute, along with the documents incorporated by reference into this Registration Statement, a prospectus that meets the requirements of Section 10(a) of the Securities Act.

ITEM 2. COMPANY INFORMATION AND EMPLOYEE PLAN ANNUAL INFORMATION.

The Company will furnish without charge to each person to whom the prospectus is delivered, upon the written or oral request of such person, a copy of any and all of the documents incorporated by reference in Item 3 of Part II of this Registration Statement, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference to the information that is incorporated). Those documents are incorporated by reference in the Section 10(a) prospectus. Requests should be directed to Splinx Technology Inc., 550 West Cypress Creek Road, Suite 410, Fort Lauderdale, Florida 33309, Attention: Chief Financial Officer, Telephone No. 954-660-6565.

REOFFER PROSPECTUS

**5,700,000 SHARES OF COMMON STOCK
OF SPLINEX TECHNOLOGY INC.**

This prospectus is being used for the offering and sale from time to time by the selling stockholders identified in this prospectus of up to an aggregate of 5,700,000 shares of the common stock of Splinx Technology Inc. that have been issued to the selling stockholders in accordance with employment agreements between us and each selling stockholder, or that may be issued in the future upon exercise of stock options that we have previously granted.

The selling stockholders, or their pledgees, donees, transferees or other successors-in-interest, may offer the common stock through public or private transactions, at prevailing market prices or at privately negotiated prices, including in satisfaction of certain existing contractual obligations. The selling stockholders will receive all of the net proceeds from the sale of the shares. Each selling stockholder will bear the costs, expenses and fees in connection with the registration of the shares offered hereby on its behalf. We will not receive any proceeds from the sale of the shares. Brokerage commissions and similar selling expenses, if any, attributable to the sale of shares will be borne by the selling stockholders.

The selling stockholders and any participating brokers or dealers may be deemed to be “underwriters” within the meaning of the Securities Act, in which event any profit on the sale of shares by the selling stockholders, and any commissions or discounts received by the brokers or dealers, may be deemed to be underwriting compensation under the Securities Act.

Our common stock is quoted on the OTC Bulletin Board under the symbol “SPLX.OB” On August 18, 2005, the last reported sale price of our common stock on the OTC Bulletin Board was \$0.20 per share.

Investing in our common stock involves risks. See “Risk Factors” beginning on page 2.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is August 23, 2005.

You should rely only on the information contained in this prospectus or any supplement. We have not authorized anyone to provide you with different information. The selling stockholders are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where offers and sales are permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

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THE COMPANY

Splinx Technology Inc. (“Splinx”) develops, licenses and services software that enables the generation, manipulation, viewing and image-based searching of complex, multi-dimensional mathematical objects and information. We believe end-users of our software products, such as mathematicians, scientists, graphic designers or digital artists working on complex, graphical three-dimensional problems, will experience greater productivity through improved interaction with, enhanced visual representation and faster manipulation of, and greater technical and artistic precision in representing, multi-dimensional mathematical objects and information.

Since inception, we have operated in a development phase typical of a software company and have focused on developing technologies and products and securing intellectual property rights while we develop relationships with potential customers and resellers. Our corporate activities to date have included raising capital, strategic and business planning, completing the registration of our common stock with the U. S. Securities and Exchange Commission (the “SEC” or the “Commission”), and retaining executive management. We have minimal sales and no sales contracts and are considered to be in the development stage as of March 31, 2005 and June 30, 2005.

Several factors exist that raise significant doubt as to our ability to continue operating as a going concern. These factors include our history of net losses and the facts that our company is in the development stage and we have earned minimal revenues to date. At our current rate of expenditure, the funds available to us from cash on hand would be sufficient to fund our operations through mid-September 2005, excluding the consideration of any revenues from the sale of our products. Our independent auditor’s report on our financial statements for the year ended March 31, 2005 contains an explanatory paragraph about our ability to continue as a going concern. In the absence of attaining profitable operations and achieving positive cash flow from operations or obtaining significant additional debt or equity financing, we will have difficulty meeting current and long-term obligations.

We have taken, and continue to take, steps to address our need for additional capital. We began significant marketing and sales activities for our *nViz^x* product line in late June 2005 under a marketing and distribution agreement (the “Reseller Agreement”) with a leading mathematical computational software developer. In addition, we implemented cost reduction measures including salary deferrals beginning in June 2005 and have deferred or delayed payments to some vendors until we achieve positive cash flow. We are also exploring raising capital through sales of our securities in order to fund our operations until we achieve positive cash flow from operations.

Company History

We were organized under the laws of the State of Delaware in February 2004 to conduct the business and operations of Splinx, LLC, a Florida limited liability company (our “Predecessor”). Effective April 1, 2004, Splinx, LLC reorganized as a corporation and, as a result, contributed its assets, liabilities and operations to us under a contribution agreement. Our financial statements include the accounts of Splinx Technology Inc. and our Predecessor, and all material inter-company transactions have been eliminated. We began activity on October 28, 2003.

On January 18, 2005, we merged with a subsidiary of Ener1, Inc., an affiliated company controlled by certain direct and indirect beneficial owners of the membership interests of our Predecessor (the “Merger”). We survived the Merger and issued 5,000,000 shares of our common stock to Ener1, Inc. in the Merger. Ener1, Inc. declared a dividend of the 5,000,000 shares that it received to its shareholders of record as of January 17, 2005 (the “Distribution”). The dividend was paid on January 24, 2005. Immediately after the Merger, and prior to the Distribution, Splinx, LLC and Ener1, Inc. owned 95% and 5%, respectively, of our then outstanding common stock. We registered the Distribution by Ener1, Inc. of our common stock on a registration statement on Form S-1 filed with the Commission. The legal terms of the Merger and the Distribution are set forth in the Merger Agreement, which is filed as an exhibit to the registration statement of which this prospectus is a part. As a result of the Merger and the Distribution, we became a public reporting company subject to the information and reporting requirements of the Securities Exchange Act of 1934.

Our executive offices are located at 550 West Cypress Creek Road, Suite 410, Fort Lauderdale, Florida, 33309 and our phone number is (954) 660-6565. Our website address is www.splinx.com. Our website and the information contained in or connected to it shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors, which we consider to be the most significant risk factors and challenges that are specific to us, together with the other information in this prospectus, when evaluating an investment in our common stock. If any of the following risks occur, our business, results of operations or financial condition would likely suffer. The price of our common stock could decline and you may lose all or part of your investment.

We may not be able to continue operating as a going concern; we currently expect that our cash on hand will only fund our operations through mid-September 2005.

Several factors exist that raise significant doubt as to our ability to continue operating as a going concern. These factors include our history of net losses, as discussed below under “*We have a history of losses and expect to incur losses in the future that could consume our capital*” and the facts that our company is in the development stage and has only earned minimal revenues to date. Our independent auditor’s report on our financial statements for the year ended March 31, 2005 contains an explanatory paragraph about our ability to continue as a going concern. In the absence of attaining profitable operations and achieving positive cash flows from operations or obtaining significant additional debt or equity financing, we will have difficulty meeting current and long-term obligations. At our current rate of expenditure, our cash on hand will be sufficient to fund our operations through mid-September 2005.

We have a history of losses and expect to incur losses in the future that could consume our capital.

We have incurred net losses of \$4.9 million from October 28, 2003, when our development stage activities began, through June 30, 2005. Since our founding, we have not had a profitable or cash flow positive quarter. We have had minimal revenue to date. We expect that we will continue to incur negative cash flows and require additional cash to fund our operations and implement our business plan. The continued development of our business will require significant additional capital investment to fund research and development, sales and marketing and general and administrative expenses. We cannot assure you that we will be able to obtain additional capital on terms favorable to us or at all.

We have a limited operating history with minimal revenues and no profits to date upon which you can base an evaluation of our company and our prospects.

We commenced development stage activities in October 2003 and have just begun to offer our products for commercial sale. Accordingly, we have only a limited operating history upon which you can evaluate our business and prospects. We have an unproven business plan and do not expect to be profitable in fiscal year 2006, and may never be profitable. Companies in an early stage of development frequently encounter heightened risks and unexpected expenses and difficulties. For us, these risks include the absence of a track record of success for our business model. Additionally, the majority of the products and markets from which we currently expect to derive the greatest portion of our revenue are in the early stages of development. We cannot assure you that we will have significant or increasing revenues or that we will be able to achieve or sustain profitability.

If we are unable to effectively manage the transition from a development stage company to an operating company, our ability to earn revenue and profits will be negatively affected.

As we transition from a development stage company to an operating company, we expect our business to grow significantly in size and complexity. This growth is expected to place significant demands on our management, systems, internal controls and financial and physical resources. As a result, we will need to hire additional qualified personnel, retain professionals to assist in developing appropriate control systems and expand our information technology and operating infrastructures. Our inability to secure additional resources, as and when needed, or manage our growth effectively, if and when it occurs, would have a material adverse effect on our financial results.

We may be unable to generate net cash flow from operations or raise additional capital which would materially harm our ability to conduct our operations and to compete.

We cannot assure you that we will be able to generate funds from operations or that capital will be available from debt or equity financings or other potential sources to fund our operating costs. We currently have no credit facilities with a lending institution. We need to raise additional funds to finance our operations. If we raise additional funds through the sale of equity or convertible debt securities, your ownership percentage of our common stock will be reduced. In addition, these transactions may dilute the value of our common stock. We may have to issue securities that have rights, preferences and privileges senior to our common stock. The terms of any additional indebtedness may include restrictive financial and operating covenants that could limit our ability to compete and expand. If we are not able to generate cash flow from operations or to raise funds through equity or debt financing, we would be forced to curtail substantially or cease operations, which would have a material adverse effect on our business and the value of our common stock.

If we are not able to compete successfully, our ability to earn revenue and profits will be adversely affected.

The markets in which we compete and plan to compete are intensely competitive, subject to rapid change and characterized by constant demand for new product features at reduced prices and pressure to accelerate the release of new products and product enhancements. Some of our competitors are much larger than we are and may have greater name recognition and financial, technical or marketing resources than we have. Our competitors and potential competitors range from well-established to start-up companies and they may possess development, marketing and sales capabilities that may enable them to create and introduce commercially viable products more quickly and effectively than we can. Additionally, we expect competition to persist and intensify as the multi-dimensional solid and surface modeling software market evolves and competitors develop additional product and service offerings.

Splinx, LLC holds the supermajority of our common stock, and is able to exercise substantial control over our affairs.

Splinx, LLC holds approximately 94% of our outstanding common stock. As a result, this stockholder is able to control the outcome of any matter to be acted on by our stockholders, including the election of all of the members of our board of directors. The voting power of Splinx, LLC could also discourage potential investors from seeking to acquire control of us through the purchase of our common stock, which might depress our stock's market price.

If we are not able to partner with third parties to incorporate our technology or products with their own, or to sell our products in conjunction with theirs, our products may not achieve broad market acceptance.

One of our business strategies is to partner with established software companies who will incorporate our technology and software products with their own from both a development and sales perspective. Accordingly, our success will depend, in part, upon our ability to create effective add-on products and technologies for use with existing products, to convince software companies to use such products, and for these products to be commercially accepted. If this does

not occur, some of our products may not achieve broad market acceptance.

3

We expect to rely initially on a limited number of resellers and distributors for a significant portion of our revenues; our ability to grow revenue will be adversely affected.

Initially, we expect to derive a significant portion of our marketing and sales from a relatively small number of resellers and software developers acting as resellers by integrating and/or bundling our products with their software and/or hardware products. The total number of these potential third-parties is limited. As a result, if we fail obtain agreements with these companies, or if they are not successful in selling our products, our revenues will be adversely affected.

Planned expansion of our distribution channels will be expensive and may not succeed.

We plan to distribute our initial products and services principally through direct sales to end-users and through distribution and resale arrangements to sell our products. The development of a comprehensive reseller network will require the investment of significant resources, which could seriously harm our business if our efforts do not generate significant revenues. We may not be able to attract resellers who will be able to market our products and services effectively. The failure to recruit resellers who are able to market our products and services successfully could seriously harm the growth of our business.

We will incur increased costs as a result of being a public company and if our securities are listed on a national stock exchange or association.

As a public company, we incur significant legal, accounting and other expenses that we did not incur as a private company, including costs associated with our public company reporting requirements and costs associated with corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002. If we are able to list our common stock on a national stock exchange or association, we will also incur additional costs to comply with the rules promulgated by such exchange or associations. These rules and regulations may also make it more difficult for us to obtain director and officer liability insurance, which may make it more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers.

If we are not able to protect our intellectual property, our business, results of operations and financial condition will be materially adversely affected.

Our ability to compete and continue to provide technological innovation is substantially dependent upon our ability to develop new technology. We rely primarily on a combination of patents, trademark laws, copyright laws, trade secrets, confidentiality procedures and contractual provisions to protect our proprietary technology. Provisional patent applications by our employees are pending in the U.S. Patent and Trademark Office. We cannot assure you that patents will be issued from these or any future applications, or, even if issued that such patents would survive a legal challenge to their validity.

The laws of many countries do not protect proprietary rights to as great an extent as do the laws of the United States. A significant amount of our intellectual property is the result of research and development occurring in Russia. Russian law regarding transfer and protection of intellectual property rights is not as well-developed as similar laws in the United States and we may not be able to adequately protect the intellectual property assigned to us or to our affiliates. Our Russia-based designers, programmers and scientists have no formal employment agreements with us. Patent assignments that we have obtained from these individuals may not grant us complete rights to the patent application and may be subject to dispute under Russian law.

The steps we have taken and will take to protect our proprietary rights may not be adequate to prevent misappropriation of our proprietary information. Further, we may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Our competitors may also independently develop similar

technology, which would impair any competitive advantage we obtain from our proprietary technology. If we fail to protect our intellectual property, our competitors could offer products that have the same technological innovations as ours do, which could significantly reduce demand for our products and services.

4

Malicious code such as worms and viruses could adversely affect our customers' use of and satisfaction with our products, and harm our ability to sell our products.

The files created by our software applications, even those with security features, are vulnerable to malicious acts such as computer hacking and embedding of viruses. Any vulnerability of our software to malicious code, either as a carrier or as a target, would reduce the commercial attractiveness of our products and harm our ability to earn revenue and profits, and could subject us to claims for damages from our customers.

If our products are not significantly better than those of our competitors, we may not be able to generate demand for our products, which will adversely impact our ability to earn revenues.

Despite testing of our software's capabilities, we are uncertain of our software's ability to support and solve some complex problems or manage a substantial number of users or large amounts of complex data. If our products do not perform significantly better than our competitors' products, demand for our products and services may not develop and increase as we project. This could materially adversely affect our ability to earn revenues or profits.

Sales of our products may be harmed if our target customers prefer products that run on Macintosh or Unix/Linux[®] platforms.

We offer and intend to offer end user-based products that run on Microsoft Windows[®]. We have no current plans to add products that run on Macintosh or Unix/Linux[®] platforms. Sales of our products could be harmed if our target end-users prefer products that run on Macintosh or Unix/Linux[®] platforms.

If the currently small and relatively limited use of laser radar scanners to acquire 3D data does not grow as anticipated across multiple markets, our revenues will not grow as we anticipate.

Our business plan anticipates that the use of laser radar scanners to scan and record 3D data from objects, such as people's faces, or environments, such as a city street corner, will grow rapidly over the next five years in many market segments, including planning, civil engineering, plant maintenance and entertainment, as costs of scanners decrease. If, however, these markets for scan data and related graphics applications and devices do not develop or develop more slowly than we anticipate, our revenues will not grow as anticipated, if at all.

If our products are defective, we could lose market share and incur significant costs to redesign, repair or replace any defective products.

Products as complex as those we offer and intend to offer may contain defects or failures. We have in the past discovered software defects in our testing and we may experience delays in introducing new products or lose revenues due to the time we may need to spend modifying our products to correct defects we discover in the future. Errors in our products or releases could result in loss of market share or failure to achieve market acceptance. We may be required to reimburse customers for costs to repair or replace the defective products. These costs could be significant and could adversely affect our business and operating results.

We may be unable to develop and introduce new software products and enhancements in a timely manner, which could materially adversely affect our ability to earn revenues and profits.

The market for multi-dimensional solid and surface modeling software is characterized by evolving industry standards, rapid technological change and frequent new product introductions and enhancements. Our success will depend in large part upon our ability to adhere to and adapt our products to evolving multi-dimensional graphics protocols and standards. We will need to develop and introduce new products that meet changing customer requirements and emerging industry standards on a timely basis. We have experienced delays in developing and

introducing new software products and we may encounter such delays in the future as well. In addition products or technologies developed by others may render our then current products and services obsolete or noncompetitive, which would shorten the life-cycle of our products.

An active, liquid trading market for our common stock may never develop.

The Over-the-Counter Bulletin Board began to quote our common stock in July 2005. We cannot assure you that an active trading market for our common stock will ever develop. You may not be able to sell your shares quickly or at the market price if trading in our common stock is not active.

We anticipate our operating results will vary from quarter to quarter, which could cause the market price of our common stock to decline.

We anticipate that many factors, some of which are beyond our control, may cause fluctuations in our operating results. These factors include:

- new companies or products entering our target markets;
- acceptance and reliability of new products introduced by us or other companies;
- price competition;
- delays in our introduction of new products;
- changes in the mix of products and services available in our target markets;
- the impact of changing technologies; and
- general economic conditions.

Fluctuations in operating results may negatively affect the price of our securities. Our operating results may fall below the expectations of public market analysts or investors. If this occurs, the market price of our common stock is likely to decrease.

The market price of our common stock may be volatile.

Several factors may cause significant volatility in the market price of our common